

**6/13/77 [1]**

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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
memo	From Blumenthal to The President (3 pp.) re: summary of Treasury activities/ enclosed in Hutcheson to Mondale <u>et al</u> 6/13/77 2 copies	6/10/77	A
memo	From Ambassador Young to The President (1 page) re: summary of activities of US mission to the UN / enclosed in Hutcheson to Mondale <u>et al</u> 6/13/77 <i>opened 6/1/92</i> 2 copies	6/10/77	A
memo	From Brown to The President (2 pp.) re: activities of Sec. Of Defense, week of June 4-10, '77 / enclosed in Hutcheson to Brzezinski 6/13/77 <i>Opened 4/18/94</i>	6/10/77	A

FILE LOCATION

Carter Presidential Papers- Staff Offices, Office of the Staff Sec. -Pres. Hand-writing File 6/13/77 [1] Box ~~31~~

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THE PRESIDENT'S SCHEDULE

Monday - June 13, 1977

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7:45 Dr. Zbigniew Brzezinski - The Oval Office.

8:15 Mr. Frank Moore - The Oval Office.

8:30 Senior Staff Meeting - The Roosevelt Room.

9:00 Meeting of the Cabinet. (Mr. Jack Watson).  
(2 hrs.) The Cabinet Room.

11:00 Mr. Jody Powell - The Oval Office.

✓ 11:30 Meeting with FBI Search Committee.  
(15 min.) (Mr. Robert Lipshutz) - The Oval Office.

12:00 Lunch with Vice President Walter F. Mondale.  
The Oval Office.

1:00 Telephone Call To The Opening Session of the  
United States Conference of Mayors, Tucson,  
Arizona.

2:30 News Conference. (Mr. Jody Powell).  
(30 min.) Room 450, Executive Office Building.

3:30 Meeting with Officers of the National Newspaper  
(5 min.) Publishers Association. (Mr. Jody Powell).  
The Oval Office.

THE WHITE HOUSE  
WASHINGTON

June 13, 1977

Z. Brzezinski

The attached was returned in the President's outbox and it is forwarded to you for your information and with the request that a copy be sent to Secretary Brown for appropriate action.

Rick Hutcheson

Re: NATO Nuclear Planning Group Meeting  
Special Discharge Review  
Program



THE WHITE HOUSE  
WASHINGTON

cc Brown  
orig to 213

~~SECRET~~  
THE SECRETARY OF DEFENSE  
WASHINGTON, D. C. 20301

THE PRESIDENT HAS SEEN.  
June 10, 1977

MEMORANDUM FOR THE PRESIDENT

1977 JUN 10 PM 2 32

SUBJECT: Significant Actions, Secretary and Deputy Secretary of Defense  
(Week of June 4-10, 1977)

Visit to Providence -- As I expected, I was the target of a polite but very public (anti-Vietnam War) demonstration (100 out of 12,000) at the Brown University commencement on Monday. That kind of feedback is painful but educational. An earlier part of the ceremony took place in the oldest Baptist Church in the United States.

NATO Nuclear Planning Group Meeting -- The Nuclear Planning Group (US, UK, FRG, Italy, Netherlands, Norway, Greece, Canada) meeting in Ottawa was useful and productive. I explained our thinking on the US/USSR nuclear balance, cruise missiles, SALT, and theater nuclear forces. The communique and confidential minute indicate allied confidence in our management of the nuclear issue. I also succeeded in obtaining German Defense Minister Leber's agreement to consider, first bilaterally and then in NATO, a thinning out of the obsolescent Nike Hercules nuclear air defense system. Leber has resisted such an effort over the past four years and his willingness to talk now represents an important breakthrough. I shall send a team to Bonn to launch the discussions before the end of the month. *Good*

Cruise Missiles -- However, there is very keen interest and some underlying concern over the cruise missile issue (especially the FRG and Norway, who understand the issue well). Leber in particular urged that we not foreclose any cruise missile options during the SALT negotiations until the Allies had thought through all the implications. In private, Leber said that the FRG felt that a 600 km limit on GLCM range would constrain both nuclear and non-nuclear applications too severely, but that 1500 km would be acceptable. I told the NPG that it might be necessary to accept some cruise missile limitations in order to achieve a successful SALT agreement which could enhance European security as much as their possession of cruise missiles. The subject clearly remains a sensitive one. Full and frank consultation will be essential to keeping the Allies on board.

Meeting with MIA Representatives -- Charles Duncan met yesterday with representatives of the National League of Families. Charles told them that DoD airplanes could not provide transportation to the national convention next month. They did not object strenuously, but said that they would seek special authorizing legislation. They also were told that status reviews would take place at such time as was consistent with your objective of obtaining maximum information. (They were not told of my May 26 recommendation to you that status reviews be resumed.) They claimed (inaccurately) that you had promised no reviews until receipt of a full accounting. They objected strongly to status reviews as a sign of abandoning the MIAs, and they stressed

Classified by Sec Def

SUBJECT: SECRETARY OF DEFENSE'S WEEK OF JUNE 4-10, 1977  
EXECUTIVE SECRETARY  
AT TWO YEARS

~~SECRET~~  
31 Dec 85

11/18/94

Sec Def Cont Nr. X-1703

~~SECRET~~

the importance of letting them know before such a decision is announced publicly. I hope that your decision can be communicated to the League a short time prior to notifying others. I also believe it important either to resolve the issue quickly -- within the next ten days -- or to wait for at least a month after the mid-July convention, so that they do not feel that knowledge of a decision previously arrived at had been kept from the convention.

Flag Officer Reductions -- Yesterday, Charles Duncan discussed flag officer and supergrade civilian reductions with Senator Nunn. Sam says he is less concerned about what the totals are than he is with how the Services determine general and flag officer requirements, and how DoD manages the totals. He believes that Congress must mandate ceilings on senior grade officers to control peacetime totals and wartime surges. Charles told him that we will have, by July 1, a detailed plan that: (1) identifies flag officers and civilian supergrade requirements; (2) subjects these numbers by a zero-based functional analysis; and (3) programs how DoD will arrive at the reduced total over a five year period (FY 79-83). Nunn may defer legislating additional cuts in FY 78, but appears committed to mandating of Congressional flag and general officer authorizations to control peacetime totals and wartime surges. Although I agree with Sam's objectives, I believe it is preferable (but not vital) as a matter of managerial flexibility not to have legislation.

Special Discharge Review Program -- Army witnesses will testify on Monday, June 20, before a House Veterans' Affairs subcommittee appointed by Ray Roberts to examine the veterans benefits implications of our Special Discharge Review Program. In the Senate, I expect Alan Cranston (who is more supportive of the program, although ambivalent) to announce similar hearings soon. Nearly 6,000 undesirable discharges have already been upgraded under the program. As those individuals apply for and begin to receive benefits (I understand some already have), it will become more difficult for the Congress to take away benefits from them. The Veterans Administration has never issued a public statement strongly endorsing the program. It might be helpful for Max Cleland to do so, as has been suggested to his staff.

*Talk to him*

Helicopter Pilot Training Consolidation -- Charles Duncan, the Secretaries of the Army, Navy and Air Force, and Service representatives testified on Tuesday before the Defense Subcommittee of the House Appropriations Committee on behalf of consolidating Navy helicopter training with Army at Fort Rucker, Alabama. As expected, Bob Sikes attempted to discredit the DoD case (Charles had been Sikes' guest at a meeting in Pensacola last week). Opposition witnesses the next day, called by Sikes, included retired Admiral Moorer. However, one of them, Marine Brigadier General Fleming, unexpectedly supported the consolidation; Sikes has since accused the Navy of "muzzling" the general. A third day of hearings was held Thursday. Although a majority of the Subcommittee is hostile, this extended hearing will make a good record to help in floor debate.

*Harold Brown*

~~SECRET~~



THE WHITE HOUSE

WASHINGTON

6/13/77

EYES ONLY

The Vice President  
Midge Costanza  
Stu Eizenstat  
Hamilton Jordan  
Bob Lipshutz  
Frank Moore  
Jody Powell  
Jack Watson

Re: Cabinet Summaries

The attached were returned in the President's  
outbox and are forwarded to you for your  
personal information.

Rick Hutcheson

cc: Landon Butler

Reports Attached:  
CEA, HEW, Interior, Justice,  
Labor, Transportation, Treasury,  
CEQ, Agriculture, GSA, HUD,  
United Nations.

THE WHITE HOUSE  
WASHINGTON

*Comments to  
Secretaries  
J*

THIS DOCUMENT HAS BEEN

MEMORANDUM TO: THE PRESIDENT

FROM: Jack Watson  
Jane Frank *Jane*

June 10, 1977

RE: Cabinet Summaries for Week of June 6 -  
10, 1977

We attach summaries received from the following  
departments:

Agriculture  
CEA  
Defense  
GSA  
HEW  
HUD

Interior  
Justice  
Labor  
Transportation  
Treasury  
UN

Jack will be in Tucson next Monday for the opening  
plenary session of the National Conference of Mayors and  
will miss the Cabinet meeting. Jane will be present.

CC: The Vice President

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~~CONFIDENTIAL~~

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1

TO: President Carter  
THE PRESIDENT HAS SEEN.

June 10, 1977

THROUGH: Jack Watson

FROM: USUN - Ambassador Young

1977 JUN 10 PM 4 29

SUBJECT: Weekly Summary of U.S. Mission to the United Nations Activities  
June 1-8

1. BRIEFING OF SENATE FOREIGN RELATIONS SUBCOMMITTEE ON AFRICA AND HOUSE  
INTERNATIONAL RELATIONS COMMITTEE ON AFRICA TRIP, JUNE 6 AND 7

Asst. Secretary Maynes and I answered their questions concerning our trip, the Administration's foreign policy, Southern Africa and the functioning of the UN. Both meetings were well attended.

2. BRIEFING OF SECRETARY GENERAL WALDHEIM ON VIENNA AND CAPE TOWN TALKS

During June 3 briefing, Waldheim suggested that UN Commissioner for Namibia Ahtisaari would be best choice for his Special Representative for the transitional period. Amb. McHenry and I requested concrete proposals from the UN Secretariat regarding the UN role in Namibia.

3. SECOND ROUND OF NAMIBIA TALKS IN CAPE TOWN

The Group of 5 agreed to open talks with a discussion of transitional administrative arrangements. Although preliminary South African suggestions at June 8 opening meeting were unacceptable, Group hopes they may be willing to give.

4. SECURITY COUNCIL PROGRAM OF WORK FOR JUNE

Only issue scheduled is the renewal of UN Peacekeeping Force in Cyprus which is expected to be routine. Issues of Southern Africa and Palestinian Rights have been postponed.

5. ECOSOC COMMITTEE ON REVIEW AND APPRAISAL OF DEVELOPMENT

Three-week session did not try to arrive at a consensus document because of disparity of views. Statements by developing countries reflected disappointment at failure of developed countries to meet International Development Strategy targets for aid, and to implement the New International Economic Order.

6. TRUSTEESHIP COUNCIL 44TH SESSION ON MICRONESIA

Thus far, discussion has proceeded calmly; focus has been on the separatist tendencies being shown within the territory. Micronesians withdrew petition asking for UN Legal Office ruling on CIA activities after U.S. Representative Al Lowenstein expressed his personal regret for the incident and quoted Administration, including Presidential, assurances that such activities would not recur.

7. U.S. PLEDGE FOR ASSISTANCE FOR LESOTHO AND BOTSWANA

First U.S. pledge and those of other Western countries were well received; the Soviet bloc boycotted the pledging session.

8. COURTESY CALL BY NEW CHINESE PERM REP CHEN CHU, JUNE 2

Chen used the opportunity to express hope for increased UN-Chinese consultations on UN issues and to expound on Soviet perfidy, particularly in Africa.

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PER 4/3/82 State DE RE MB 44C-91-79  
BY gry NARS, DATE 5/11/92



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THE WHITE HOUSE  
WASHINGTON

June 13, 1977

Charlie Schultze -

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

Re: Consumer Agency  
Inflation Problem  
Aluminum Prices

THE WHITE HOUSE  
WASHINGTON

cc Schulke



THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

1977 JUN 10 PM 3 22  
June 10, 1977

THE PRESIDENT HAS SEEN.

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze-LS  
SUBJECT CEA Weekly Report

Economic Outlook. I testified last week before the Joint Economic Committee on the general outlook for the economy during the rest of the year and into 1978, and about our longer range economic targets and plans for 1981.

Consumer Agency. In a marginal note to last week's CEA report, you asked me to look into eliminating a section of the Senate ACA bill that mandates cost-benefit analysis on all major regulations. Staff from CEA, OMB and the Domestic Council met with Senate staff members to discuss this prospect. It appears that removal of this section of the bill would cause Senator Percy to abandon his support for the ACA bill, sharply diminishing its prospects for passage. But the likelihood is good that we can work with the Senator's staff to rewrite the section to make it more acceptable to us. We are proceeding to develop such a compromise. sk

European Trip. Several members of my staff have been preparing me for an extended visit to Europe next week. I will be attending meetings in Paris of the Economic Policy Committee of the OECD, following which I will speak at a meeting in Bonn. USIA is arranging visits for me with senior officials of the German Government while I am in Bonn. In my absence, Lyle Gramley will be Acting Chairman.

Response to Kirbo. Before I leave, I will send to Charles Kirbo a response to a letter on the inflation problem that he forwarded to you recently. If you wish a copy, I will be glad to provide one. sk

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Breakfast with Arthur Burns. This morning I had breakfast with Arthur Burns. We had a wide-ranging conversation. Burns is very sensitive (and defensive) about recent criticism of interest rate increases from Administration officials. I stated that from my own viewpoint, the problem is not so much the Fed's recent action, but at least the possibility that their targets for monetary growth may, over the next 18 months, be incompatible with our economic growth targets. While Burns reiterated his general willingness to be flexible, there was all sorts of indirect evidence in the subsequent conversation that he will be extremely loathe to raise the targets in order to prevent substantial interest rate increases.

Water Pollution. Members of my staff are working with the EPA analyzing proposed revisions in the Federal Water Pollution Control Act.

Aluminum Prices. On Thursday, the President of Kaiser Aluminum told us they were going to raise aluminum ingot prices by 6 percent (after an earlier 6 percent increase three months ago) and increase fabricated prices selectively for an overall increase of 3.7 percent. After briefly looking at their data, I told him we had some major questions about the action and asked for a postponement until we had a chance to do our homework on the numbers. He agreed to a very short postponement, and will meet with Blumenthal on Monday, June 13. (I will be out of the country.) Aluminum companies probably do need some increases to restore very low profit margins, but I think they should do so more gradually than Kaiser proposes. Also, we plan to question the need for such large increases on ingot.

*Try to  
hold*

Ongoing Activities. Members of my staff continue to be involved in interagency committees developing the Trade Adjustment Assistance program, welfare reform proposals, cargo preference proposals, and tax reform proposals. We are also progressing on our study of past investment behavior and future investment needs in the U.S.

THE WHITE HOUSE  
WASHINGTON

cc Calipano



THE WHITE HOUSE  
WASHINGTON

June 13, 1977

Secretary Califano

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

Re: Medicaid Fraud and Abuse  
Byrd Amendment



THE PRESIDENT HAS SEEN.

THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE  
WASHINGTON, D. C. 20201

June 10, 1977

MEMORANDUM FOR THE PRESIDENT

1977 JUN 10 PM 3 54

C  
—

SUBJECT: Weekly Report on HEW Activities

The following is my weekly report on significant activities within the Department of Health, Education, and Welfare.

• Medicaid Fraud and Abuse: Yesterday I announced the results of a two-month investigation, conducted by the Inspector General and the new Health Care Financing Administration. Using a new computer program to flag suspicious cases in State Medicaid files, we have identified 172 of what appear to be the worst physician and pharmacist offenders in the country, and are now validating another 328 cases. The first 500 cases could lead to savings of \$25 to \$30 million.

*Let's  
prosecute  
some of them -  
J.C.*

The Department has developed a systematic computer based technique for reviewing all Medicaid transactions in a given period. Thus, rather than investigating complaints on a haphazard, individual basis we can systematically isolate the worst apparent offenders after reviewing literally million of claims -- as we have been able to do in this initial Medicaid project. To attack the estimated \$800 to \$900 million lost annually due to fraud, this technique will be used to investigate other providers of health services paid for under Medicare and Medicaid -- nursing homes, hospitals, laboratories, and clinics.

• Social Security Financing: On June 13, I will testify before the Senate Finance Subcommittee on Social Security (Nelson) on your social security financing legislation. I will discuss more extensively than I did in the House the alternatives for restoring fiscal integrity to Social Security and the reasons your proposal is superior.

• Hospital Cost Containment: My testimony before the Talmadge Subcommittee was received cordially. I believe criticisms of the Talmadge bill's hospital reimbursement sections had some effect, and that the chances have increased slightly for a blending of your proposal (for short term impact) and a limited number of his provisions (for more

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structural reform). Following the testimony, the AFL-CIO expressed concern about merging the two proposals because they strongly oppose the Talmadge bill.

- Major Speeches: On June 15, I will address the Legislative Leaders Seminar of the National Conference of State Legislatures on welfare reform. On June 19, as part of a four-day trip to visit West Coast regional offices, I will address the annual convention of the American Medical Association, stressing the need for preventive medicine and fiscal responsibility in the medical community.

- The Byrd Amendment: We will, in the very near future, begin to use the new interpretation of the Byrd Amendment, rendered recently by the Attorney General. As you know, the Byrd Amendment -- which was originally contained in the HEW FY 76 appropriations bill -- states:

"None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, and which offers the courses of study pursued by such student, in order to comply with Title VI of the Civil Rights Act of 1964."

At my request (and as has been reported in the press), the Attorney General construed the Amendment and decided that the "no transportation beyond the nearest school" requirement of the Byrd Amendment should apply, not to existing discriminatory school plans, but to plans deemed in compliance with Title VI by HEW. Put another way, the Attorney General's ruling will allow more flexibility in achieving school desegregation through busing under Title VI (but not massive cross-town busing) because when compliance plans require pairing and clustering of grade levels the next nearest school offering the same course of study may not be the next nearest school geographically.

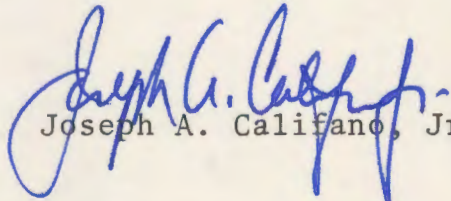
The Attorney General's opinion, and our use of it in Title VI cases, may spark an attempt in the Congress to alter the Byrd Amendment so as to reject the Justice Department's interpretation. Although I am opposed to the Byrd Amendment, I do not think that we should fight it on the floor (it has been retained in Committee in the House) because it will be approved overwhelmingly in any event and because our opposition may fan the flames of Congressional opposition to Judge Bell's opinion.

ok

● New York Civil Rights Case: The Office for Civil Rights has recently completed its compliance review of applications submitted by the New York City public school system for over \$19 million in funding under the Emergency School Aid Act (ESAA). As you know, ESAA is designed to provide federal financial assistance to school districts that are reducing or eliminating racial isolation. At this stage, the Office for Civil Rights has concluded that the City is ineligible for assistance, because the City has failed to provide English language training to certain students; testing and selection procedures have excluded minority persons from full access to employment opportunities; and equal instructional and other services have not been provided to minority group students. We believe that the City will be able to take certain remedial action to achieve eligibility for a large portion (up to \$13 million) of the funding requested.

We are personally notifying school and elected officials of our findings, indicating that we will work with the School Board in achieving eligibility. We intend to mail formal notification to the City next week.

● Kansas City Civil Rights Case: The Kansas City School Board, whose system was declared invalid under Title VI in December, 1976, has submitted a proposed desegregation plan that is still clearly not in compliance with the requirements of law. In the next few days, we will be discussing our proposed compliance plan with school board officials -- and with Senators Eagleton and Danforth as well as other members of the Congressional delegation. The changes suggested by HEW will include pairing, clustering and busing based on the Attorney General's interpretation of the Byrd Amendment. We plan to give Congressional, State and Local officials ample opportunity to work out a settlement with us on this very difficult case. Nonetheless, although we will make every effort to negotiate this case to conclusion, a settlement may not be possible. In any event, our proposed plan, which should be public within the next week to ten days, will be controversial.

  
Joseph A. Califano, Jr.



THE WHITE HOUSE  
WASHINGTON

June 13, 1977

Secretary Andrus -

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Food to Undeveloped  
Countreis

THE WHITE HOUSE  
WASHINGTON

cc  
Andrews



THE SECRETARY OF THE INTERIOR  
WASHINGTON

June 10, 1977

1977 JUN 10 PM 3 54

THE PRESIDENT HAS SEEN.

MEMORANDUM TO THE PRESIDENT

FROM: The Secretary of the Interior

SUBJECT: Major Topics for the Week of June 6

You indicated that your son "Chip" was working on a program to make food available to underdeveloped countries instead of guns and ammunition. I agree with his goal and have had some experience in this area as Governor of Idaho. If I can be of assistance, please have him call me.

*He will*

With the commercial fishing season about to open in the State of Washington, we have a potential for major problems between Indian and white fishermen because of the "Boldt Decision." It is really a law enforcement problem, but we are watching it because Indians are involved. Judge Bell and Juanita Kreps are also participating.

In response to your memorandum of today, we have completed our recommendations for all field positions with the exception of some River Basin Commissions. These will be cleared with Ham and the Vice President in the very near future.

I attended a meeting of the National Governors' Conference Executive Committee and can report that we are winning approval in that quarter for your actions. All send their best wishes.

Next week I will visit California on Redwoods, Auburn Dam, water reforms and the Santa Barbara Channel controversy involving Exxon and the State of California.

*Cecil D. Andrus*  
CECIL D. ANDRUS

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THE WHITE HOUSE  
WASHINGTON

June 13, 1977

The Attorney General

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Judicial Nominating Commission

THE WHITE HOUSE  
WASHINGTON

cc Bell



Office of the Attorney General  
Washington, D. C. 20530

June 10, 1977

1977 JUN 10 PM 3 30

THE PRESIDENT WAS SEEN.

RE: Principal activities of the Department of  
Justice for the week of June 6 through 10

1. Judicial Nominating Commission

The United States Circuit Judge Nominating Panel for the Southern Ninth Circuit, the first of these panels to report, has submitted five proposed nominees for the Ninth Circuit vacancy in Arizona, and three proposed nominees for the vacancy in Nevada. The Attorney General desires to know whether the President wishes him to submit to the President (1) all proposed nominees without recommendation; (2) all proposed nominees, ranked according to the Attorney General's recommendations; or (3) only one proposed nominee recommended by the Attorney General for each vacancy.

(2)  
JC

2. Attorney Inventory

The inventory of lawyers in the Federal government has been completed and shows a total of 19,426 attorneys, or 0.4 percent of the total Federal government employment. The detailed responses of the Departments and agencies have been submitted to the OMB Reorganization team for their use. A separate summary report will be submitted to the President.

c

3. PRM 11

The PRM-NSC-11 Subcommittee, under the direction of the Attorney General, submitted reports to the SCC on:

1. Authority for physical searches for intelligence purposes,
2. Proposed amendments to Executive Order 11905,
3. Proposed procedures and timetable for developing charter legislation for intelligence community,
4. Unauthorized disclosure of classified information,
5. Proposed amendments to Attorney General procedures for intelligence agencies,



6. Perceived problems created for intelligence agencies by Freedom of Information and Privacy Acts.

4. FNMA

The Department issued an opinion to Secretary Harris supporting the constitutionality of S. 1397 which would amend the Federal National Mortgage Association Charter Act to increase membership of the Board of Directors of FNMA and make FNMA subject to FOIA.

5. FBI Selection Committee

The committee has reported to the President and the Attorney General the names of five proposed nominees. The Attorney General, Robert Lipshutz, Irving Shapiro and Mary Lawton (committee staff) plan to meet with the President on Monday, June 13 regarding the procedure for selecting the President's nominee.

6. Temporary Workers in Presidio, Texas

After discussion between the Attorney General and Secretary Marshall, the Department of Justice approved petitions submitted by growers in Presidio, Texas allowing the entry of 809 temporary workers from Mexico to harvest crops in that area. Although Labor Department regulations precluded certification by that Department of the temporary workers, Secretary Marshall recognized that the national interest warranted the authorization of the temporary workers petitions and recommended that the Department of Justice approve the entry even without certification from the Department of Labor. Immigration and Naturalization Service had conducted its own investigation and concluded that the growers had unsuccessfully sought United States workers throughout a wide area and that the onion crops were rotting in the fields because of the lack of labor to harvest them. Interested members of Congress have been notified of this action.

7. Events and Meetings

The Attorney General addressed the State Bar of Georgia in Savannah on revision of the Federal Criminal Code; received an honorary degree from LaGrange College; participated in the Business International Roundtable in Washington, where he found much concern about the cost of and delay in litigation; participated in the dedication of an FBI auditorium to Charles J. Bonaparte, the Attorney General who created the investigative agency in the Department of Justice which later became the Federal Bureau of Investigation; spoke to the Virginia State Bar Association at The Homestead in Virginia, again on revision

of the Federal Criminal Code; and met with 15 randomly selected staff attorneys from the Department's Civil Division to discuss general concerns and interests.

Deputy Attorney General Peter Flaherty addressed the American Bar Association Conference in Chicago.

8. Testimony

The Attorney General testified before a subcommittee of the Senate Judiciary Committee on various aspects of S. 1347, which would revise the Federal Criminal Code; before a subcommittee of the House Government Operations Committee on the prosecutorial and investigative policies of the Department; and before another subcommittee of the Senate Judiciary Committee on the Magistrates bill.

THE WHITE HOUSE  
WASHINGTON

June 13, 1977

Secretary Marshall -

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

Re: Labor Management Services  
Administration -Coal



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THE WHITE HOUSE  
WASHINGTON

cc  
marshall

June 10, 1977

1977 JUN 10 PM 3 54

"FYI"

THE PRESIDENT HAS SEEN.

MEMORANDUM FOR THE PRESIDENT

FROM: SECRETARY OF LABOR, Ray Marshall *RM*  
SUBJECT: Major Departmental Activities, June 4-10

LABOR MANAGEMENT SERVICES ADMINISTRATION

Coal

It is readily apparent that labor-management relations in the coal industry will be a major concern for the rest of the year. The current contracts in the bituminous coal industry will expire on December 6, 1977 and there is a serious danger of a protracted strike.

The situation is complicated by a number of factors. One of the most serious is the union election on June 14. Although the three-way race remains cloudy, most observers feel that incumbent president Arnold Miller should win by a narrow margin. It is almost inevitable that the losing candidates will claim that there were serious violations of the Landrum-Griffin Act and this will require investigation by the Labor Department. The resulting political unrest will obviously have a deleterious effect on already poor labor-management relations in the coal industry.

We are, however, looking beyond the immediate election to see what can be done to bring labor-management peace to the coal industry. We have met separately with both labor and management to explore ways in which we could cooperate with them. However, any joint efforts are impossible until after the union election.

One area we intend to explore is educating the union and management on the proper ways of using the grievance procedures in their contracts. Up to now, the method of handling specific grievances has all too often resulted in wildcat strikes. Another promising area to explore is the potential for establishing apprenticeship programs in the coal industry. This would be one effective way of guaranteeing an adequate supply of trained miners to meet our increased reliance on coal.

←  
*Good*  
→

2.

We are also taking preliminary steps to get a better grasp on the economic situation in the coal industry. I will be meeting with Jim Schlesinger to discuss ways of improving our data on stockpiling and related economic issues. Jim and I will also discuss the organization of a coordinated Administration effort to deal with the coal situation.

These are just some of the steps that need to be taken before the beginning of coal negotiations. It is hoped that the Federal Mediation and Conciliation Service (FMCS) will become involved at the appropriate time. However, it must be stressed that it is important to keep such independent agencies as the FMCS neutral until the crisis actually develops.

We will keep you informed on a regular basis of progress in the coal industry.

#### Long Island Railroad

As you know, there is a serious danger of a strike on the Long Island Railroad affecting 100,000 daily commuters to New York City on July 2. George Ives of the National Mediation Board is working closely with labor and management and we are in close touch with him. We will provide whatever assistance is needed at the appropriate time. We have also let the parties know that there is no inclination toward appointing an Emergency Board in the event of a strike. It is important to realize that there will be strong political pressure from Governor Carey and the New York Congressional delegation for you to intervene in the event of a strike.



THE WHITE HOUSE  
WASHINGTON

June 13, 1977

Secretary Adams -

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

Re: D.C. Metro - Update

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THE WHITE HOUSE  
WASHINGTON

cl Adams



THE SECRETARY OF TRANSPORTATION  
WASHINGTON, D.C. 20590

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June 10, 1977

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THE PRESIDENT HAS SEEN.

MEMORANDUM FOR THE PRESIDENT

THROUGH: Jack Watson

SUBJECT: DOT Issues for Presidential Review

FROM: Secretary Brock Adams

*Brock Adams*

I am submitting an update on the following items now pending at the Department of Transportation.

INFORMATION

Interstate 10, Jackson County, Mississippi

As a result of litigation brought by the National Wildlife Federation in the Fifth Circuit Court of Appeals, the construction of an interchange in Jackson County, Mississippi has been in abeyance pending the purchase of certain lands to protect the Mississippi sandhill crane's critical habitat.

There have been a number of discussions between the Departments of Transportation and Interior relative to a purchase arrangement. There have also been discussions between the Department of Transportation and the State of Mississippi regarding the location of the interchange. The State has asked for an official identification of the critical habitat boundaries, which is now underway by DOI.

Senator Stennis is now proposing a \$5 million amendment to the DOT Appropriation bill to enable this Department to purchase lands where endangered species may be affected by highway construction. The Department is working with the Appropriations Committee members to resolve this prior to the Tuesday mark-up. You may be contacted about this issue by Congressional and State officials.

Indian Fishing Rights in Washington State

The Attorney General and the Secretary of Commerce this week requested the assistance of the U. S. Coast Guard in enforcing new regulations for salmon fishing in the



Puget Sound area. These regulations would be issued to comply with a Federal Court decision which said that the Indians must receive 50 percent of the salmon catch. Under the proposed regulations, the Indians are to have a three-day season, and non-Indians a two-day season each week. In my view, Coast Guard intervention in the manner requested would be ill-advised. The situation in Washington State is highly volatile with extremely dangerous enforcement risks. A proper enforcement program would require extensive preparation and coordination. The fishing season starts June 26, 1977. Premature and hastily conceived Federal intervention may jeopardize potential later success in protecting Indian rights. I believe an alternative plan and enforcement system is necessary and have expressed these concerns to Secretaries Kreps, Andrus, and Vance and Attorney General Bell.

#### Lock and Dam 26/Waterway User Charges - Update

The House Public Works Committee is scheduled to begin hearings on June 14 on this issue. The Department of Agriculture is the lead witness on the 14th and I will testify on the 15th. It is vital that all testimony firmly support the Administration position on rehabilitation testing of the existing facility and the implementation of user fees. We are working to insure this is done.

In the Senate the vote on Lock and Dam 26/Waterway User Fees is anticipated during the week of June 20th. Our current assessment is that User Fees may have a slim chance of passage and the rehabilitation proposal will lose. We will be seeking assistance from the White House as the vote nears.

#### Status of Appropriations

The Transportation appropriations bill is moving well in the Congress. The House completed floor action this week, defeating an amendment by 146 votes to bar Concorde from Kennedy Airport, and forestalling efforts for major add-ons to the Coast Guard shipbuilding budget. The overall House action left our request for new budget authority about 1 percent, or \$50 million below the budget. The Senate Appropriations Subcommittee completed its action this week also, and its version of the bill is about \$25 million below the budget request. They have increased spending limits involving use of old budget authority for mass transit and highway safety, but the outlay impact of this increase is offset by lower estimates for highway construction. The formerly controversial provision limiting annual obligations under the Highway Trust Fund was not even debated this year.

## INFORMATION

3

### D. C. Metro - Update

Local interests are appealing my request that unbuilt segments of the local Metro subway system be re-analyzed before final financial arrangements are negotiated for the project. I will be meeting with them shortly to reaffirm my position and to reach an agreement on the nature of the re-analysis of the Metro system. This negotiation will encompass the current payments on Metro's guaranteed debt, since a \$12 million payment is due by June 25th.

*Be  
firm*

### Status of Aviation Reform Effort

We are continuing to work with both the Senate and the House to keep the effort moving. We expect a draft Senate bill Monday. Members of my staff are scheduled to testify in a House field hearing in Pennsylvania next week on aviation reform. Also, I will be addressing the Transportation Association of America on our regulatory reform efforts the week of June 13th.

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# WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
memo	From Blumenthal to The President (3 pp.) re: summary of Treasury activities/ enclosed in Hutcheson to Mondale <u>et al</u> 6/13/77 2 copies	6/10/77	A
memo	From Ambassador Young to The President (1 page) re: summary of activities of US mission to the UN / enclosed in Hutcheson to Mondale <u>et al</u> 6/13/77 2 copies	6/10/77	A
memo	From Brown to The President (2 pp.) re: activities of Sec. Of Defense, week of June 4-10, '77 / enclosed in Hutcheson to Brzezinski 6/13/77	6/10/77	A

## FILE LOCATION

Carter Presidential Papers- Staff Offices, Office of the Staff Sec. -Pres. Hand-writing File 6/13/77 [1] Box 33

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THE WHITE HOUSE  
WASHINGTON

June 13, 1977

Charles Warren -

**The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.**

**Rick Hutcheson**

Re: Lake Alma, Georgia

EXECUTIVE OFFICE OF THE PRESIDENT  
COUNCIL ON ENVIRONMENTAL QUALITY  
722 JACKSON PLACE, N. W.  
WASHINGTON, D. C. 20006

June 10, 1977

THE PRESIDENT HAS SEEN.

MEMORANDUM FOR THE PRESIDENT

FROM: Charles Warren  
Gus Speth  
Marion Edey

GS-

SUBJECT: Weekly Status Report

NEPA Reform: The Council held three days of public hearings on reforming the implementation of the National Environmental Policy Act as directed in your Environmental Message. We heard over 50 witnesses, representing business, labor, environmentalists, the scientific community, state and local government, and the public generally. There was great consensus behind the direction you outlined in your Message.

Water Resources Policy Review: Council Member Gus Speth and staff met with Department of the Interior and OMB representatives to initiate coordination of the six-month review of federal water resources policy called for in your Environmental Message.

Clinch River Breeder Reactor: Met at CEQ with representatives of Domestic Policy staff, White House Congressional Liaison staff, and environmental groups to plan strategy for opposing Congressional attempts to fund the Clinch River Breeder Reactor.

Wetlands Protection: Convened an interagency meeting with representatives of EPA, the Departments of Interior, Agriculture, Army, Commerce, and Justice, and OMB to coordinate the preparation of Administration amendments to Section 404 of the Federal Water Pollution Control Act.

Clean Air Act: Prepared, in cooperation with Domestic Council staff, the letter you sent to Senator Muskie expressing opposition to Reagle-Griffin and certain other amendments to the Clean Air Act.

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Lake Alma, Georgia: The Council recommended to Secretary Harris that HUD not fund the proposal of the City of Alma, Georgia to destroy a high quality wetland area to create a recreational lake.

*good*

Whale Protection: In consultation with NOAA and the State Department prepared a proposed Presidential Message to the International Whaling Commission, intended to strengthen the U.S.-led movement to achieve effective worldwide conservation of whales.

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MEMORANDUM FOR THE PRESIDENT

DEPARTMENT OF AGRICULTURE  
OFFICE OF THE SECRETARY  
WASHINGTON, D. C. 20250

June 10, 1977

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MEMORANDUM TO THE PRESIDENT

THROUGH Jack Watson  
Secretary to the Cabinet

SUBJECT: Weekly Report

SUMMER RETAIL MEAT PRICES. Seasonal demand will outweigh the impact of slightly larger beef supplies. If anticipated slaughter reductions are met this summer, hamburger prices could rise more than steak prices.

SOVIET GRAIN CROPS. 1977 Soviet grain crop is forecast at 215 million tons, which, if achieved, will be the third largest crop on record.

POSSIBLE RECORD FERTILIZER USE 1976/77. Fertilizer use in 17 states through March was up five percent over last year. Demand remains strong despite lower corn and wheat prices. Fertilizer prices are holding relatively stable.

GAO REPORT ON BOX BEEF INDUSTRY. A GAO report to Congress on the beef box industry describes the USDA investigative program on bribery practice as inadequate. This report follows the recent implementation of two GAO recommendations by the Department. These include a formal referral system to IRS on bribery matters and a compliance followup service on bribery-type cease and desist orders.

Due to a manpower shortage the Department has been operating on a complaint basis only. The Department is considering further improvement which may be affected by zero-based budgeting.

CORN AND COTTON SEEDING; SOYBEANS ADVANCE. Corn planting is complete except in a few northern areas where some replanting is needed. Cotton seeding in 11 major Southern states is completed. Soybean planting is 84 percent finished, which tops last year's 80 percent.

  
JOHN C. WHITE  
Acting Secretary

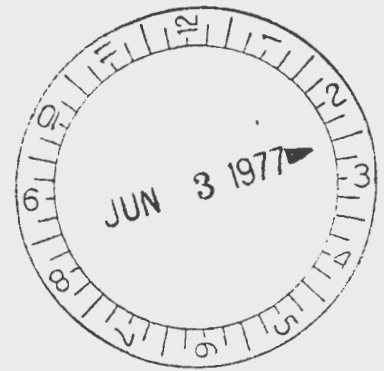
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United States of America  
General Services Administration  
Washington, D.C. 20405

Administrator

THE PRESIDENT HAS SAID.



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June 2, 1977

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Weekly Report on GSA Activities

Following is a brief report on significant activities within the General Services Administration.

GSA Officials Travel to the Soviet Union

In accordance with the agreement of the US/USSR Joint Committee on Cooperation in the Field of Housing and Other Construction, the second meeting of the US/USSR Joint Working Group on Building Design and Construction Management was held in the Soviet Union from May 16 - 21, 1977.

The Joint Working Group on the U.S. side has GSA's Public Buildings Service as the lead agency with Deputy Commissioner Tom Peyton as U.S. Co-Chairman, five U.S. Government representative and four representatives from the private sector. The U.S.S.R. Co-Chairman is Mr. A. A. Borovoy, Vice Chairman of the State Committee of the U.S.S.R. Council of Ministers on Construction.

The group visited various Soviet design institutes, factories manufacturing building components and construction sites in and around Moscow. Two days were spent in Leningrad with a visit to design institutes and construction sites similar to those in Moscow.

The meetings were conducted on the highest professional level and in a spirit of cooperation on both sides. This was viewed as a positive contribution to US/USSR relations. A meeting was held with Sean Byrnes, Scientific and Technical Attache to the U.S. Embassy in Moscow who stressed the importance of the continued effective cooperation of the U.S. and the U.S.S.R. at the Working Group level.

New Forms for Procurement of Personal Property

We have developed new forms for use in our procurement of personal property. A major advantage of these forms is that they contain approximately one-third less verbiage than those currently in use. We are in the process of circulating the forms to industries and other agencies for comment.

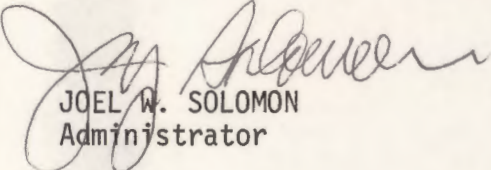
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Old Post Office, Washington, D.C.

The level 3 design competition concluded successfully on May 25 with presentation by 3 A-E firms. Review, analysis and evaluation by the GSA Jury of Selection and technical personnel from various functional organizations in Region 3 took place prior and subsequent to the presentations. The report prepared by the Jury of Selection with the ranking of the A-E firms in order of preference was completed June 1, 1977, as follows:

1. McGaughy, Marshall and McMillan  
Arthur Cotton Moore, Associates  
Associated Space Design, Incorporated  
Stewart Daniel Hoban and Associates - Joint Venture
2. Faulkner, Fryer and Vanderpool Architects
3. Shepley, Bulfinch, Richardson and Abbott  
Hugh Newell Jacobsen, FAIA  
Desmond and Lord, Incorporated - Joint Venture

On June 2, 1977, Joint Venture Number 1 was selected.



JOEL W. SOLOMON  
Administrator





THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D. C. 20410

June 10, 1977

THE PRESIDENT HAS SEEN.

1977 JUN 10 PM 4 28

MEMORANDUM FOR: The President

SUBJECT: Weekly Report of Major Departmental  
Activities

The following are brief descriptions of significant activities at the Department of Housing and Urban Development.

Senate Passes Housing and Community Development Act of 1977; Cripples Federal Flood Insurance Program. On Tuesday, June 7, the Senate passed the Housing and Community Development Act of 1977 by a vote of 79 to 7, in substantially the form requested by the Administration. However, the bill does contain a number of troubling amendments. The most serious one, adopted by a vote of 49 to 36, was offered by Senators Eagleton and Tower and amends the Flood Disaster Protection Act to allow a community which chooses not to participate in the flood insurance program to continue to have access to mortgage loans from Federally-related financial institutions. A similar measure has been approved by the House, and, therefore, the matter is not in conference. We anticipate that the effectiveness of the Federal flood insurance program in flood-prone areas will be severely reduced. We are seeking ways to minimize the effects of this amendment.

Testimony in Support of FNMA Board Expansion. On Tuesday, June 7, I testified before the Senate Banking Committee in support of the Proxmire-Cranston bill to expand the Board of Directors of FNMA from 15 to 19 by the addition of four public members to be nominated by the President.

HUD Begins Review of Section 202 Applications. The Department is now screening some 1,300 applications for funding of housing for the elderly and handicapped (Section 202) received by the May 31 submission deadline, and expects to reserve funds for about 22,000 housing units prior to the end of the fiscal year.

Energy Efficient Residence Draws Large Crowd. An open house last weekend at the Energy Efficient Residence in Mt. Airie, Maryland was attended by over 1,000 persons and

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covered by TV and radio. The house, which was designed and built by the National Association of Home Builders Research Foundation under contract to HUD, is instrumented to determine the efficiency of energy usage and will be studied and documented over the next year.

Energy Conservation for HUD-Owned Properties. The Department has issued a Notice that requires the installation of certain energy conservation devices in all HUD-owned properties to be sold for residential purposes. This Notice also mandates installation of storm windows and doors in HUD-owned properties located in specified climatic zones.

Disaster Relief Continues. A total of 6,213 families (63.7% of those requiring shelter) in the four-state Appalachian disaster area have now been placed in permanent, transient, or temporary housing. Our most pressing problem at this time is finding mobile home haulers to move the units to the disaster area.

Pat

Patricia Roberts Harris



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D. C. 20410

JUN 9 1977

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MEMORANDUM TO: The President

1977 JUN 10 AM 9 48

RL SUBJECT: Weekly Report of June 3, and HUD  
Position on Amendment to Treat  
Housing Assistance Benefits As  
Income Under the Food Stamp Program

In your review of this Department's Weekly Report of June 3, 1977, you indicated a question concerning this Department's position on an amendment to treat housing assistance benefits as income under the Food Stamp Program. This will provide you with some additional explanation for our position.

Last week the Department of Housing and Urban Development was informed by U.S. Department of Agriculture officials that the House Agriculture Committee might consider in its full Committee deliberations on the Food Stamp provisions of the Omnibus Farm Authorization legislation an amendment which would require counting as income the full actual and imputed income of housing assistance benefits received under all of HUD's housing assistance programs for the purpose of determining eligibility for food stamps. USDA officials expressed their strong opposition to this amendment and requested additional assistance from HUD to defeat the proposal.

After Departmental analysis of the amendment and discussions with the Office of Management and Budget and USDA, HUD also established a position in opposition to the amendment. The Department's official position was requested by the Honorable Thomas Foley, Chairman of the House Agriculture Committee. A letter, a copy of which is attached, was prepared for my signature setting forth HUD's objections and was hand delivered to the Committee.

Subsequently, the Member expressing greatest interest in the proposed amendment did not and has not introduced it for the Committee's consideration.

  
Patricia Roberts Harris

Attachment

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THE WHITE HOUSE  
WASHINGTON

*Comments to  
Secretary  
J*

THE PRESIDENT HAS SEEN.

MEMORANDUM TO: THE PRESIDENT

FROM:

Jack Watson

Jane Frank *Jane*

June 10, 1977

RE:

Cabinet Summaries for Week of June 6 -  
10, 1977

We attach summaries received from the following  
departments:

Agriculture  
CEA  
Defense  
GSA  
HEW  
HUD

Interior  
Justice  
Labor  
Transportation  
Treasury  
UN

Jack will be in Tucson next Monday for the opening  
plenary session of the National Conference of Mayors and  
will miss the Cabinet meeting. Jane will be present.

CC: The Vice President

THE CHAIRMAN OF THE  
COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

1977 JUN 10 PM 3 22  
June 10, 1977

~~THE~~ PRESIDENT HAS SEEN.

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze *CS*  
SUBJECT: CEA Weekly Report

Economic Outlook. I testified last week before the Joint Economic Committee on the general outlook for the economy during the rest of the year and into 1978, and about our longer range economic targets and plans for 1981.

Consumer Agency. In a marginal note to last week's CEA report, you asked me to look into eliminating a section of the Senate ACA bill that mandates cost-benefit analysis on all major regulations. Staff from CEA, OMB and the Domestic Council met with Senate staff members to discuss this prospect. It appears that removal of this section of the bill would cause Senator Percy to abandon his support for the ACA bill, sharply diminishing its prospects for passage. But the likelihood is good that we can work with the Senator's staff to rewrite the section to make it more acceptable to us. We are proceeding to develop such a compromise. *sk*

European Trip. Several members of my staff have been preparing me for an extended visit to Europe next week. I will be attending meetings in Paris of the Economic Policy Committee of the OECD, following which I will speak at a meeting in Bonn. USIA is arranging visits for me with senior officials of the German Government while I am in Bonn. In my absence, Lyle Gramley will be Acting Chairman.

Response to Kirbo. Before I leave, I will send to Charles Kirbo a response to a letter on the inflation problem that he forwarded to you recently. If you wish a copy, I will be glad to provide one. *sk*



Breakfast with Arthur Burns. This morning I had breakfast with Arthur Burns. We had a wide-ranging conversation. Burns is very sensitive (and defensive) about recent criticism of interest rate increases from Administration officials. I stated that from my own viewpoint, the problem is not so much the Fed's recent action, but at least the possibility that their targets for monetary growth may, over the next 18 months, be incompatible with our economic growth targets. While Burns reiterated his general willingness to be flexible, there was all sorts of indirect evidence in the subsequent conversation that he will be extremely loathe to raise the targets in order to prevent substantial interest rate increases.

Water Pollution. Members of my staff are working with the EPA analyzing proposed revisions in the Federal Water Pollution Control Act.

Aluminum Prices. On Thursday, the President of Kaiser Aluminum told us they were going to raise aluminum ingot prices by 6 percent (after an earlier 6 percent increase three months ago) and increase fabricated prices selectively for an overall increase of 3.7 percent. After briefly looking at their data, I told him we had some major questions about the action and asked for a postponement until we had a chance to do our homework on the numbers. He agreed to a very short postponement, and will meet with Blumenthal on Monday, June 13. (I will be out of the country.) Aluminum companies probably do need some increases to restore very low profit margins, but I think they should do so more gradually than Kaiser proposes. Also, we plan to question the need for such large increases on ingot.

*Try to  
hold*

Ongoing Activities. Members of my staff continue to be involved in interagency committees developing the Trade Adjustment Assistance program, welfare reform proposals, cargo preference proposals, and tax reform proposals. We are also progressing on our study of past investment behavior and future investment needs in the U.S.





THE PRESIDENT HAS SEEN.

THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE  
WASHINGTON, D.C. 20201

June 10, 1977

MEMORANDUM FOR THE PRESIDENT 1977 JUN 10 PM 3 54

SUBJECT: Weekly Report on HEW Activities

The following is my weekly report on significant activities within the Department of Health, Education, and Welfare.

• Medicaid Fraud and Abuse: Yesterday I announced the results of a two-month investigation, conducted by the Inspector General and the new Health Care Financing Administration. Using a new computer program to flag suspicious cases in State Medicaid files, we have identified 172 of what appear to be the worst physician and pharmacist offenders in the country, and are now validating another 328 cases. The first 500 cases could lead to savings of \$25 to \$30 million.

*Let's  
Prosecute  
some of them -  
J.C.*

The Department has developed a systematic computer based technique for reviewing all Medicaid transactions in a given period. Thus, rather than investigating complaints on a haphazard, individual basis we can systematically isolate the worst apparent offenders after reviewing literally million of claims -- as we have been able to do in this initial Medicaid project. To attack the estimated \$800 to \$900 million lost annually due to fraud, this technique will be used to investigate other providers of health services paid for under Medicare and Medicaid -- nursing homes, hospitals, laboratories, and clinics.

• Social Security Financing: On June 13, I will testify before the Senate Finance Subcommittee on Social Security (Nelson) on your social security financing legislation. I will discuss more extensively than I did in the House the alternatives for restoring fiscal integrity to Social Security and the reasons your proposal is superior.

• Hospital Cost Containment: My testimony before the Talmadge Subcommittee was received cordially. I believe criticisms of the Talmadge bill's hospital reimbursement sections had some effect, and that the chances have increased slightly for a blending of your proposal (for short term impact) and a limited number of his provisions (for more



structural reform). Following the testimony, the AFL-CIO expressed concern about merging the two proposals because they strongly oppose the Talmadge bill.

- Major Speeches: On June 15, I will address the Legislative Leaders Seminar of the National Conference of State Legislatures on welfare reform. On June 19, as part of a four-day trip to visit West Coast regional offices, I will address the annual convention of the American Medical Association, stressing the need for preventive medicine and fiscal responsibility in the medical community.

- The Byrd Amendment: We will, in the very near future, begin to use the new interpretation of the Byrd Amendment, rendered recently by the Attorney General. As you know, the Byrd Amendment -- which was originally contained in the HEW FY 76 appropriations bill -- states:

"None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, and which offers the courses of study pursued by such student, in order to comply with Title VI of the Civil Rights Act of 1964."

At my request (and as has been reported in the press), the Attorney General construed the Amendment and decided that the "no transportation beyond the nearest school" requirement of the Byrd Amendment should apply, not to existing discriminatory school plans, but to plans deemed in compliance with Title VI by HEW. Put another way, the Attorney General's ruling will allow more flexibility in achieving school desegregation through busing under Title VI (but not massive cross-town busing) because when compliance plans require pairing and clustering of grade levels the next nearest school offering the same course of study may not be the next nearest school geographically.

The Attorney General's opinion, and our use of it in Title VI cases, may spark an attempt in the Congress to alter the Byrd Amendment so as to reject the Justice Department's interpretation. Although I am opposed to the Byrd Amendment, I do not think that we should fight it on the floor (it has been retained in Committee in the House) because it will be approved overwhelmingly in any event and because our opposition may fan the flames of Congressional opposition to Judge Bell's opinion.

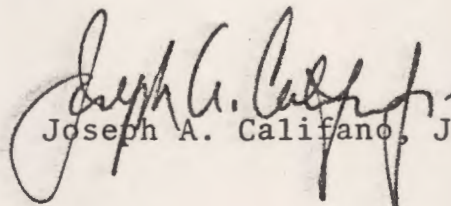
ok



• New York Civil Rights Case: The Office for Civil Rights has recently completed its compliance review of applications submitted by the New York City public school system for over \$19 million in funding under the Emergency School Aid Act (ESAA). As you know, ESAA is designed to provide federal financial assistance to school districts that are reducing or eliminating racial isolation. At this stage, the Office for Civil Rights has concluded that the City is ineligible for assistance, because the City has failed to provide English language training to certain students; testing and selection procedures have excluded minority persons from full access to employment opportunities; and equal instructional and other services have not been provided to minority group students. We believe that the City will be able to take certain remedial action to achieve eligibility for a large portion (up to \$13 million) of the funding requested.

We are personally notifying school and elected officials of our findings, indicating that we will work with the School Board in achieving eligibility. We intend to mail formal notification to the City next week.

• Kansas City Civil Rights Case: The Kansas City School Board, whose system was declared invalid under Title VI in December, 1976, has submitted a proposed desegregation plan that is still clearly not in compliance with the requirements of law. In the next few days, we will be discussing our proposed compliance plan with school board officials -- and with Senators Eagleton and Danforth as well as other members of the Congressional delegation. The changes suggested by HEW will include pairing, clustering and busing based on the Attorney General's interpretation of the Byrd Amendment. We plan to give Congressional, State and Local officials ample opportunity to work out a settlement with us on this very difficult case. Nonetheless, although we will make every effort to negotiate this case to conclusion, a settlement may not be possible. In any event, our proposed plan, which should be public within the next week to ten days, will be controversial.

  
Joseph A. Califano, Jr.





THE SECRETARY OF THE INTERIOR  
WASHINGTON

June 10, 1977

1977 JUN 10 PM 3 54

THE PRESIDENT HAS SEEN.

MEMORANDUM TO THE PRESIDENT

FROM: The Secretary of the Interior

SUBJECT: Major Topics for the Week of June 6

You indicated that your son "Chip" was working on a program to make food available to underdeveloped countries instead of guns and ammunition. I agree with his goal and have had some experience in this area as Governor of Idaho. If I can be of assistance, please have him call me.

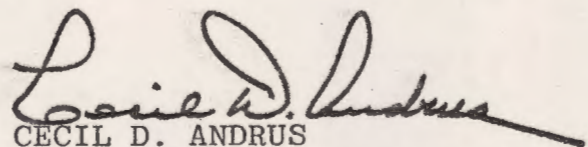
He will

With the commercial fishing season about to open in the State of Washington, we have a potential for major problems between Indian and white fishermen because of the "Boldt Decision." It is really a law enforcement problem, but we are watching it because Indians are involved. Judge Bell and Juanita Kreps are also participating.

In response to your memorandum of today, we have completed our recommendations for all field positions with the exception of some River Basin Commissions. These will be cleared with Ham and the Vice President in the very near future.

I attended a meeting of the National Governors' Conference Executive Committee and can report that we are winning approval in that quarter for your actions. All send their best wishes.

Next week I will visit California on Redwoods, Auburn Dam, water reforms and the Santa Barbara Channel controversy involving Exxon and the State of California.

  
CECIL D. ANDRUS





Office of the Attorney General

Washington, D. C. 20530

June 10, 1977

1977 JUN 10 PM 3 30

THE PRESIDENT HAS SEEN.

RE: Principal activities of the Department of Justice for the week of June 6 through 10

1. Judicial Nominating Commission

The United States Circuit Judge Nominating Panel for the Southern Ninth Circuit, the first of these panels to report, has submitted five proposed nominees for the Ninth Circuit vacancy in Arizona, and three proposed nominees for the vacancy in Nevada. The Attorney General desires to know whether the President wishes him to submit to the President (1) all proposed nominees without recommendation; (2) all proposed nominees, ranked according to the Attorney General's recommendations; or (3) only one proposed nominee recommended by the Attorney General for each vacancy.

(2)  
JC

2. Attorney Inventory

The inventory of lawyers in the Federal government has been completed and shows a total of 19,426 attorneys, or 0.4 percent of the total Federal government employment. The detailed responses of the Departments and agencies have been submitted to the OMB Reorganization team for their use. A separate summary report will be submitted to the President.

c

3. PRM 11

The PRM-NSC-11 Subcommittee, under the direction of the Attorney General, submitted reports to the SCC on:

1. Authority for physical searches for intelligence purposes,
2. Proposed amendments to Executive Order 11905,
3. Proposed procedures and timetable for developing charter legislation for intelligence community,
4. Unauthorized disclosure of classified information,
5. Proposed amendments to Attorney General procedures for intelligence agencies,



6. Perceived problems created for intelligence agencies by Freedom of Information and Privacy Acts.

4. FNMA

The Department issued an opinion to Secretary Harris supporting the constitutionality of S. 1397 which would amend the Federal National Mortgage Association Charter Act to increase membership of the Board of Directors of FNMA and make FNMA subject to FOIA.

5. FBI Selection Committee

The committee has reported to the President and the Attorney General the names of five proposed nominees. The Attorney General, Robert Lipshutz, Irving Shapiro and Mary Lawton (committee staff) plan to meet with the President on Monday, June 13 regarding the procedure for selecting the President's nominee.

6. Temporary Workers in Presidio, Texas

After discussion between the Attorney General and Secretary Marshall, the Department of Justice approved petitions submitted by growers in Presidio, Texas allowing the entry of 809 temporary workers from Mexico to harvest crops in that area. Although Labor Department regulations precluded certification by that Department of the temporary workers, Secretary Marshall recognized that the national interest warranted the authorization of the temporary workers petitions and recommended that the Department of Justice approve the entry even without certification from the Department of Labor. Immigration and Naturalization Service had conducted its own investigation and concluded that the growers had unsuccessfully sought United States workers throughout a wide area and that the onion crops were rotting in the fields because of the lack of labor to harvest them. Interested members of Congress have been notified of this action.

7. Events and Meetings

The Attorney General addressed the State Bar of Georgia in Savannah on revision of the Federal Criminal Code; received an honorary degree from LaGrange College; participated in the Business International Roundtable in Washington, where he found much concern about the cost of and delay in litigation; participated in the dedication of an FBI auditorium to Charles J. Bonaparte, the Attorney General who created the investigative agency in the Department of Justice which later became the Federal Bureau of Investigation; spoke to the Virginia State Bar Association at The Homestead in Virginia, again on revision



of the Federal Criminal Code; and met with 15 randomly selected staff attorneys from the Department's Civil Division to discuss general concerns and interests.

Deputy Attorney General Peter Flaherty addressed the American Bar Association Conference in Chicago.

8. Testimony

The Attorney General testified before a subcommittee of the Senate Judiciary Committee on various aspects of S. 1347, which would revise the Federal Criminal Code; before a subcommittee of the House Government Operations Committee on the prosecutorial and investigative policies of the Department; and before another subcommittee of the Senate Judiciary Committee on the Magistrates bill.

U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

June 10, 1977

1977 JUN 10 PM 3 54

"FYI"

THE PRESIDENT HAS SEEN.

MEMORANDUM FOR THE PRESIDENT

FROM: SECRETARY OF LABOR, Ray Marshall *RM*

SUBJECT: Major Departmental Activities, June 4-10

LABOR MANAGEMENT SERVICES ADMINISTRATION

Coal

It is readily apparent that labor-management relations in the coal industry will be a major concern for the rest of the year. The current contracts in the bituminous coal industry will expire on December 6, 1977 and there is a serious danger of a protracted strike.

The situation is complicated by a number of factors. One of the most serious is the union election on June 14. Although the three-way race remains cloudy, most observers feel that incumbent president Arnold Miller should win by a narrow margin. It is almost inevitable that the losing candidates will claim that there were serious violations of the Landrum-Griffin Act and this will require investigation by the Labor Department. The resulting political unrest will obviously have a deleterious effect on already poor labor-management relations in the coal industry.

We are, however, looking beyond the immediate election to see what can be done to bring labor-management peace to the coal industry. We have met separately with both labor and management to explore ways in which we could cooperate with them. However, any joint efforts are impossible until after the union election.

One area we intend to explore is educating the union and management on the proper ways of using the grievance procedures in their contracts. Up to now, the method of handling specific grievances has all too often resulted in wildcat strikes. Another promising area to explore is the potential for establishing apprenticeship programs in the coal industry. This would be one effective way of guaranteeing an adequate supply of trained miners to meet our increased reliance on coal.

← good  
✓



We are also taking preliminary steps to get a better grasp on the economic situation in the coal industry. I will be meeting with Jim Schlesinger to discuss ways of improving our data on stockpiling and related economic issues. Jim and I will also discuss the organization of a coordinated Administration effort to deal with the coal situation.

These are just some of the steps that need to be taken before the beginning of coal negotiations. It is hoped that the Federal Mediation and Conciliation Service (FMCS) will become involved at the appropriate time. However, it must be stressed that it is important to keep such independent agencies as the FMCS neutral until the crisis actually develops.

We will keep you informed on a regular basis of progress in the coal industry.

#### Long Island Railroad

As you know, there is a serious danger of a strike on the Long Island Railroad affecting 100,000 daily commuters to New York City on July 2. George Ives of the National Mediation Board is working closely with labor and management and we are in close touch with him. We will provide whatever assistance is needed at the appropriate time. We have also let the parties know that there is no inclination toward appointing an Emergency Board in the event of a strike. It is important to realize that there will be strong political pressure from Governor Carey and the New York Congressional delegation for you to intervene in the event of a strike.





THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

June 10, 1977

1977 JUN 10 PM 4 27

C

~~THE PRESIDENT HAS SEEN.~~

MEMORANDUM FOR THE PRESIDENT

THROUGH: Jack Watson

SUBJECT: DOT Issues for Presidential Review

FROM: Secretary Brock Adams

*Brock Adams*

I am submitting an update on the following items now pending at the Department of Transportation.

INFORMATION

Interstate 10, Jackson County, Mississippi

As a result of litigation brought by the National Wildlife Federation in the Fifth Circuit Court of Appeals, the construction of an interchange in Jackson County, Mississippi has been in abeyance pending the purchase of certain lands to protect the Mississippi sandhill crane's critical habitat.

There have been a number of discussions between the Departments of Transportation and Interior relative to a purchase arrangement. There have also been discussions between the Department of Transportation and the State of Mississippi regarding the location of the interchange. The State has asked for an official identification of the critical habitat boundaries, which is now underway by DOI.

Senator Stennis is now proposing a \$5 million amendment to the DOT Appropriation bill to enable this Department to purchase lands where endangered species may be affected by highway construction. The Department is working with the Appropriations Committee members to resolve this prior to the Tuesday mark-up. You may be contacted about this issue by Congressional and State officials.

Indian Fishing Rights in Washington State

The Attorney General and the Secretary of Commerce this week requested the assistance of the U. S. Coast Guard in enforcing new regulations for salmon fishing in the



Puget Sound area. These regulations would be issued to comply with a Federal Court decision which said that the Indians must receive 50 percent of the salmon catch. Under the proposed regulations, the Indians are to have a three-day season, and non-Indians a two-day season each week. In my view, Coast Guard intervention in the manner requested would be ill-advised. The situation in Washington State is highly volatile with extremely dangerous enforcement risks. A proper enforcement program would require extensive preparation and coordination. The fishing season starts June 26, 1977. Premature and hastily conceived Federal intervention may jeopardize potential later success in protecting Indian rights. I believe an alternative plan and enforcement system is necessary and have expressed these concerns to Secretaries Kreps, Andrus, and Vance and Attorney General Bell.

#### Lock and Dam 26/Waterway User Charges - Update

The House Public Works Committee is scheduled to begin hearings on June 14 on this issue. The Department of Agriculture is the lead witness on the 14th and I will testify on the 15th. It is vital that all testimony firmly support the Administration position on rehabilitation testing of the existing facility and the implementation of user fees. We are working to insure this is done.

In the Senate the vote on Lock and Dam 26/Waterway User Fees is anticipated during the week of June 20th. Our current assessment is that User Fees may have a slim chance of passage and the rehabilitation proposal will lose. We will be seeking assistance from the White House as the vote nears.

#### Status of Appropriations

The Transportation appropriations bill is moving well in the Congress. The House completed floor action this week, defeating an amendment by 146 votes to bar Concorde from Kennedy Airport, and forestalling efforts for major add-ons to the Coast Guard shipbuilding budget. The overall House action left our request for new budget authority about 1 percent, or \$50 million below the budget. The Senate Appropriations Subcommittee completed its action this week also, and its version of the bill is about \$25 million below the budget request. They have increased spending limits involving use of old budget authority for mass transit and highway safety, but the outlay impact of this increase is offset by lower estimates for highway construction. The formerly controversial provision limiting annual obligations under the Highway Trust Fund was not even debated this year.

D. C. Metro - Update

Local interests are appealing my request that unbuilt segments of the local Metro subway system be re-analyzed before final financial arrangements are negotiated for the project. I will be meeting with them shortly to reaffirm my position and to reach an agreement on the nature of the re-analysis of the Metro system. This negotiation will encompass the current payments on Metro's guaranteed debt, since a \$12 million payment is due by June 25th.

*Be  
firm*

Status of Aviation Reform Effort

We are continuing to work with both the Senate and the House to keep the effort moving. We expect a draft Senate bill Monday. Members of my staff are scheduled to testify in a House field hearing in Pennsylvania next week on aviation reform. Also, I will be addressing the Transportation Association of America on our regulatory reform efforts the week of June 13th.



EXECUTIVE OFFICE OF THE PRESIDENT  
COUNCIL ON ENVIRONMENTAL QUALITY  
722 JACKSON PLACE, N. W.  
WASHINGTON, D. C. 20006

June 10, 1977

THE PRESIDENT HAS SEEN.

MEMORANDUM FOR THE PRESIDENT

FROM: Charles Warren  
Gus Speth *GS-*  
Marion Edey

SUBJECT: Weekly Status Report

NEPA Reform: The Council held three days of public hearings on reforming the implementation of the National Environmental Policy Act as directed in your Environmental Message. We heard over 50 witnesses, representing business, labor, environmentalists, the scientific community, state and local government, and the public generally. There was great consensus behind the direction you outlined in your Message.

Water Resources Policy Review: Council Member Gus Speth and staff met with Department of the Interior and OMB representatives to initiate coordination of the six-month review of federal water resources policy called for in your Environmental Message.

Clinch River Breeder Reactor: Met at CEQ with representatives of Domestic Policy staff, White House Congressional Liaison staff, and environmental groups to plan strategy for opposing Congressional attempts to fund the Clinch River Breeder Reactor.

Wetlands Protection: Convened an interagency meeting with representatives of EPA, the Departments of Interior, Agriculture, Army, Commerce, and Justice, and OMB to coordinate the preparation of Administration amendments to Section 404 of the Federal Water Pollution Control Act.

Clean Air Act: Prepared, in cooperation with Domestic Council staff, the letter you sent to Senator Muskie expressing opposition to Reigle-Griffin and certain other amendments to the Clean Air Act.

Lake Alma, Georgia: The Council recommended to Secretary Harris that HUD not fund the proposal of the City of Alma, Georgia to destroy a high quality wetland area to create a recreational lake.

Whale Protection: In consultation with NOAA and the State Department prepared a proposed Presidential Message to the International Whaling Commission, intended to strengthen the U.S.-led movement to achieve effective worldwide conservation of whales.

*god*





United States of America  
General Services Administration  
Washington, D.C. 20405

Administrator

THE PRESIDENT HAS SEEN.

June 2, 1977

MEMORANDUM FOR THE PRESIDENT

THE PRESIDENT HAS SEEN.



DEPARTMENT OF AGRICULTURE  
OFFICE OF THE SECRETARY  
WASHINGTON, D. C. 20250

June 10, 1977

MEMORANDUM TO THE PRESIDENT

THROUGH Jack Watson  
Secretary to the Cabinet

SUBJECT: Weekly Report

SUMMER RETAIL MEAT PRICES. Seasonal demand will outweigh the impact of slightly larger beef supplies. If anticipated slaughter reductions are met this summer, hamburger prices could rise more than steak prices.

SOVIET GRAIN CROPS. 1977 Soviet grain crop is forecast at 215 million tons, which, if achieved, will be the third largest crop on record.

POSSIBLE RECORD FERTILIZER USE 1976/77. Fertilizer use in 17 states through March was up five percent over last year. Demand remains strong despite lower corn and wheat prices. Fertilizer prices are holding relatively stable.

GAO REPORT ON BOX BEEF INDUSTRY. A GAO report to Congress on the beef box industry describes the USDA investigative program on bribery practice as inadequate. This report follows the recent implementation of two GAO recommendations by the Department. These include a formal referral system to IRS on bribery matters and a compliance followup service on bribery-type cease and desist orders.

Due to a manpower shortage the Department has been operating on a complaint basis only. The Department is considering further improvement which may be affected by zero-based budgeting.

CORN AND COTTON SEEDING; SOYBEANS ADVANCE. Corn planting is complete except in a few northern areas where some replanting is needed. Cotton seeding in 11 major Southern states is completed. Soybean planting is 84 percent finished, which tops last year's 80 percent.

*John C. White*

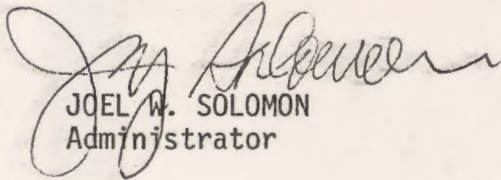


Old Post Office, Washington, D.C.

The level 3 design competition concluded successfully on May 25 with presentation by 3 A-E firms. Review, analysis and evaluation by the GSA Jury of Selection and technical personnel from various functional organizations in Region 3 took place prior and subsequent to the presentations. The report prepared by the Jury of Selection with the ranking of the A-E firms in order of preference was completed June 1, 1977, as follows:

1. McGaughy, Marshall and McMillan  
Arthur Cotton Moore, Associates  
Associated Space Design, Incorporated  
Stewart Daniel Hoban and Associates - Joint Venture
2. Faulkner, Fryer and Vanderpool Architects
3. Shepley, Bulfinch, Richardson and Abbott  
Hugh Newell Jacobsen, FAIA  
Desmond and Lord, Incorporated - Joint Venture

On June 2, 1977, Joint Venture Number 1 was selected.



JOEL W. SOLOMON  
Administrator



covered by TV and radio. The house, which was designed and built by the National Association of Home Builders Research Foundation under contract to HUD, is instrumented to determine the efficiency of energy usage and will be studied and documented over the next year.

Energy Conservation for HUD-Owned Properties. The Department has issued a Notice that requires the installation of certain energy conservation devices in all HUD-owned properties to be sold for residential purposes. This Notice also mandates installation of storm windows and doors in HUD-owned properties located in specified climatic zones.

Disaster Relief Continues. A total of 6,213 families (63.7% of those requiring shelter) in the four-state Appalachian disaster area have now been placed in permanent, transient, or temporary housing. Our most pressing problem at this time is finding mobile home haulers to move the units to the disaster area.

*Pat*  
Patricia Roberts Harris



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D. C. 20410

June 10, 1977

THE PRESIDENT HAS SEEN.

1977 JUN 10 PM 4 28

MEMORANDUM FOR: The President

SUBJECT: Weekly Report of Major Departmental Activities

The following are brief descriptions of significant activities at the Department of Housing and Urban Development.

Senate Passes Housing and Community Development Act of 1977; Cripples Federal Flood Insurance Program. On Tuesday, June 7, the Senate passed the Housing and Community Development Act of 1977 by a vote of 79 to 7, in substantially the form requested by the Administration. However, the bill does contain a number of troubling amendments. The most serious one, adopted by a vote of 49 to 36, was offered by Senators Eagleton and Tower and amends the Flood Disaster Protection Act to allow a community which chooses not to participate in the flood insurance program to continue to have access to mortgage loans from Federally-related financial



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D. C. 20410

JUN 9 1977

C.

MEMORANDUM TO: The President

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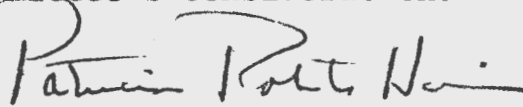
RL SUBJECT: Weekly Report of June 3, and HUD  
Position on Amendment to Treat  
Housing Assistance Benefits As  
Income Under the Food Stamp Program

In your review of this Department's Weekly Report of June 3, 1977, you indicated a question concerning this Department's position on an amendment to treat housing assistance benefits as income under the Food Stamp Program. This will provide you with some additional explanation for our position.

Last week the Department of Housing and Urban Development was informed by U.S. Department of Agriculture officials that the House Agriculture Committee might consider in its full Committee deliberations on the Food Stamp provisions of the Omnibus Farm Authorization legislation an amendment which would require counting as income the full actual and imputed income of housing assistance benefits received under all of HUD's housing assistance programs for the purpose of determining eligibility for food stamps. USDA officials expressed their strong opposition to this amendment and requested additional assistance from HUD to defeat the proposal.

After Departmental analysis of the amendment and discussions with the Office of Management and Budget and USDA, HUD also established a position in opposition to the amendment. The Department's official position was requested by the Honorable Thomas Foley, Chairman of the House Agriculture Committee. A letter, a copy of which is attached, was prepared for my signature setting forth HUD's objections and was hand delivered to the Committee.

Subsequently, the Member expressing greatest interest in the proposed amendment did not and has not introduced it for the Committee's consideration.

  
Patricia Roberts Harris

Attachment





THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D. C. 20410

June 10, 1977

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1977 JUN 10 PM 4 28

MEMORANDUM FOR: The President

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Testimony in Support of FNMA Board Expansion. On Tuesday, June 7, I testified before the Senate Banking Committee in support of the Proxmire-Cranston bill to expand the Board of Directors of FNMA from 15 to 19 by the addition of four public members to be nominated by the President.

HUD Begins Review of Section 202 Applications. The Department is now screening some 1,300 applications for funding of housing for the elderly and handicapped (Section 202) received by the May 31 submission deadline, and expects to reserve funds for about 22,000 housing units prior to the end of the fiscal year.

Energy Efficient Residence Draws Large Crowd. An open house last weekend at the Energy Efficient Residence in Mt. Airie, Maryland was attended by over 1,000 persons and

covered by TV and radio. The house, which was designed and built by the National Association of Home Builders Research Foundation under contract to HUD, is instrumented to determine the efficiency of energy usage and will be studied and documented over the next year.

Energy Conservation for HUD-Owned Properties. The Department has issued a Notice that requires the installation of certain energy conservation devices in all HUD-owned properties to be sold for residential purposes. This Notice also mandates installation of storm windows and doors in HUD-owned properties located in specified climatic zones.

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Pat

Patricia Roberts Harris



THE WHITE HOUSE  
WASHINGTON

To: Stu Eizenstat  
Jim McIntyre

From: Rick Hutcheson

Chairman Campbell of the  
CSC has agreed to postpone  
submitting the attached  
memo to the President  
pending a review of the  
Commission with OMB and  
perhaps with Domestic  
Council.

6/13/77

Distinguished Federal  
& Indian Service



UNITED STATES CIVIL SERVICE COMMISSION

WASHINGTON, D.C. 20415

IN REPLY PLEASE REFER TO

JUN 3 1977

YOUR REFERENCE

MEMORANDUM FOR THE PRESIDENT

To further your interest in involving Federal employees in improving Government operations and in recognizing those who are truly outstanding, I recommend that an existing means, the President's Award for Distinguished Federal Civilian Service, be reestablished on a regular basis. Unfortunately, this honorary award was not granted consistently during the previous administration.

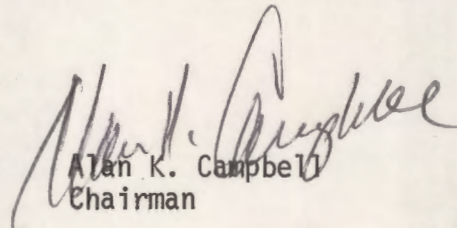
This award was established by President Eisenhower in 1957 by Executive Order 10717 (copy attached). As the highest honor which can be granted to members of the Federal career service, this award affords the President the opportunity to recognize a select number (normally not more than five) of career employees for their outstanding service to the Government. I have attached a list of previous recipients along with a copy of a ceremonial booklet from the last presentation of the awards.

The Executive Order provides for the President to appoint a five-member Board of Federal officials to advise him on selections, with the Chairman of the Civil Service Commission, or his designated representative, serving as Executive Secretary. Actions needed to reestablish this award are contained in the timetable attached. Also attached is information concerning the composition of previous Boards. I would recommend consideration be given to the appointment of the following Board members:

Charles L. Schultze	- General Government
Clifford L. Alexander, Jr.	- Defense
Richard C. Atkinson	- Science
Joseph A. Califano, Jr.	- Social Services
Juanita M. Kreps	- Commerce



We will be proud to play a part in the conferring of this important honor and, with your approval of the proposed timetable and the appointment of Board members, we will be pleased to work with the White House and the appointed Board to assure the success of this program.

  
Alan K. Campbell  
Chairman

Attachments

	Resumption of Program on an annual basis	Timetable	Proposed Board Members
Approved:	_____	_____	_____
Disapproved:	_____	_____	_____

## TENTATIVE TIMETABLE

- June 1977 -- appointment of board members and announcement of the program
- July 1977 -- briefing materials furnished to Board Chairman and members (by letter)
- August 1977 -- call for nominations by letter to agency heads from Board Chairman with deadline of October 15
- October 1977 -- preliminary review of nominations by representatives of the board members and Director, Office of Incentive Systems
- November 1977 -- meeting of board to make final decisions and recommendations to the President
- January 1978 -- award ceremony at White House with President Carter to make presentations





UNITED STATES CIVIL SERVICE COMMISSION

WASHINGTON, D.C. 20415

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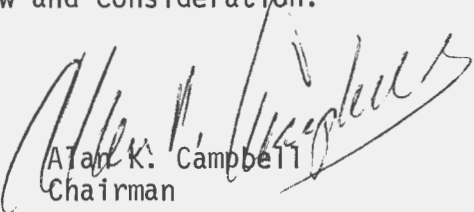
YOUR REFERENCE

MEMORANDUM FOR ROBERT LINDER

The attached memorandum for the President recommends actions needed to reestablish the President's Award for Distinguished Federal Civilian Service on an annual basis.

A timetable of steps to be taken and recommendations for the composition of a five-member board to advise the President in selections are included.

I would greatly appreciate your assistance in assuring that this proposal receives early review and consideration.

  
Alan K. Campbell  
Chairman

Attachments

THE WHITE HOUSE

WASHINGTON

June 10, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

STEVE SIMMONS *Stu*

SUBJECT:

President's Award for Distinguished  
Federal Civilian Service

We support the thrust of Alan Campbell's memorandum regarding the President's Award for Distinguished Federal Civilian Service. It is important to recognize outstanding efforts of Federal employees in order to reward those who have served well, to provide an incentive for others, and to demonstrate the personal concern of the President for agency personnel.

However, we have problems with the specifics of how this award program has been run in the past. If one looks at the list of previous award recipients one finds only top level civil servants such as an Assistant Director of OMB, a Deputy Under Secretary of State, or a Deputy Director of the CIA. A Government-wide program to recognize distinguished service should include lower level Federal employees. There are persons at lower GS levels who have outstanding service records such as clerks, secretaries, etc. Employees with distinguished service records in these positions deserve Presidential recognition just as much as a Deputy Director.

Although there are Departmental awards that recognize Federal employee service at lower GS levels, there is no such Government-wide award program with Presidential involvement similar to the Distinguished Federal Civilian Service program. In light of this Administration's concerns for all levels of society, it is especially important that if the President is involved in an award system it has a wider focus.

632 6101



We recommend that prior to approving this program, a committee be established consisting of relevant OMB and CSC personnel to study how an expanded program can be created. It might be possible to change the criteria set forth in the executive order and increase the number (to perhaps 20 recipients) and scope of this Award program. It may make more sense to create a separate award program which selects certain outstanding individuals who have already been awarded departmental awards for Presidential recognition. An entirely new screening procedure might be developed. We talked with Alan Campbell this morning and he agrees with our concerns and would be most receptive to the establishment of such a committee. In light of the need to create an award program as soon as possible, the committee should be given a one month deadline to complete its work.



UNITED STATES CIVIL SERVICE COMMISSION

WASHINGTON, D.C. 20415

IN REPLY PLEASE REFER TO

JUN 3 1977

YOUR REFERENCE

MEMORANDUM FOR THE PRESIDENT

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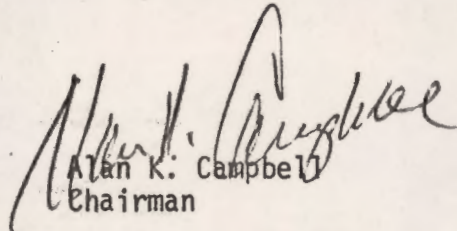
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The Executive Order provides for the President to appoint a five-member Board of Federal officials to advise him on selections, with the Chairman of the Civil Service Commission, or his designated representative, serving as Executive Secretary. Actions needed to reestablish this award are contained in the timetable attached. Also attached is information concerning the composition of previous Boards. I would recommend consideration be given to the appointment of the following Board members:

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Alan K. Campbell  
Chairman

Attachments

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UNITED STATES CIVIL SERVICE COMMISSION

WASHINGTON, D.C. 20415

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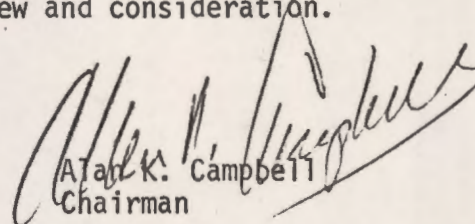
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Alan K. Campbell  
Chairman

Attachments

THE PRESIDENT'S AWARD FOR DISTINGUISHED  
FEDERAL CIVILIAN SERVICE

Executive Order 10717 as amended by E. O. 10979 and E. O. 11085

By virtue of the authority vested in me by the Government Employees' Incentive Awards Act, approved September 1, 1954 (63-Stat. 1112), and as President of the United States, it is ordered as follows:

Section 1. There is hereby established an honorary award for the recognition of distinguished service by civilian officers and employees of the Federal Government. The award shall be known as the President's Award for Distinguished Federal Civilian Service, and shall consist of a gold medal, the design of which accompanies and is hereby made a part of this Order, suspended on a ribbon of appropriate material and color, and accompanying appurtenances. Each medal shall be suitably inscribed, and an appropriate citation shall accompany each award.

Section 2. (a) The President's Award for Distinguished Federal Civilian Service shall be presented by the President to civilian officers or employees of the Federal Government for the best achievements having current impact in improving Government operations or serving the public interest. These achievements shall exemplify one or more of the following:

(1) Imagination in developing creative solutions to problems of government.

(2) Courage in persevering against great odds and difficulties.

(3) High ability in accomplishing extraordinary scientific or technological achievement, in providing outstanding leadership in planning, organizing, or directing a major program of unusual importance and complexity, or in performing an extraordinary act of credit to the Government and the country.

(4) Long and distinguished career service.

(b) The importance of the achievements to the Government and to the public interest shall be so outstanding that the officer or employee is deserving of greater public recognition than that which can be accorded by the head of the department or agency in which he is employed. Generally, not more than five awards shall be made in any one year. Presentation of the award shall be made at such times as the President may determine.



Section 3. There is hereby established the Distinguished Civilian Service Awards Board (hereinafter referred to as the Board), which shall consist of five members, appointed by the President from the Federal civilian service. The Chairman of the Board shall be designated by the President from the membership of the Board.

Section 4. The members of the Board shall serve at the pleasure of the President.

Section 5. The members of the Board shall serve as such without additional compensation. The Chairman of the Civil Service Commission, or his designated representative, shall serve as Executive Secretary of the Board, and the Civil Service Commission is requested to furnish the Board the necessary staff and other services.

Section 6. The Board shall advise and assist the President in the selection of persons to whom the award shall be tendered. In performing its functions, the Board shall carefully review recommendations submitted to it and decide which of them, if any, warrant presentation to the President, and shall transmit to the President, for his consideration, the names of those persons deemed by it to merit the award, together with its reasons therefor. Recipients for the award shall be selected by the President.

Section 7. The Board is authorized to prescribe the method and form for making nominations for this award, but the Board shall not recommend a nominee for the award without the concurrence of the head of the agency in which the nominee was employed at the time of the achievement for which the award is recommended.

Section 8. The Board shall be guided in the performance of its functions by the provisions of subsections (b) and (c) of section 304 of the Government Employees' Incentive Awards Act, and by any additional criteria established by the Board. Persons appointed by the President shall not be eligible for this award unless, in the opinion of the Board, they are currently serving in a career position.

Section 9. This Order shall become effective on July 1, 1957.

DWIGHT D. EISENHOWER

THE WHITE HOUSE

June 27, 1957

Amendments:

E. O. 10979 of December 12, 1961--JOHN F. KENNEDY

E. O. 11085 of February 22, 1963--JOHN F. KENNEDY

RECIPIENTS OF PRESIDENT'S AWARD

1958

LOY W. HENDERSON  
Deputy Under Secretary of  
State for Administration

STERLING B. HENDRICKS  
Chief Chemist  
Agriculture's Pioneering Research  
Laboratory for Mineral Nutrition  
of Plants

JOHN EDGAR HOOVER  
Director  
Federal Bureau of Investigation

ROGER W. JONES  
Assistant Director for  
Legislative Reference  
Bureau of the Budget

WILLIAM B. McLEAN  
Technical Director  
U.S. Naval Ordnance Test Station

1959

JAMES V. BENNETT  
Director  
Bureau of Prisons

ROBERT D. MURPHY  
Deputy Under Secretary of State  
for Political Affairs

DOYLE L. NORTHRUP  
Technical Director  
Special Weapons Squadron

HAZEL K. STIEBELING  
Director  
Institute of Home Economics  
Agricultural Research Service

WERNHER VON BRAUN  
Director  
Development Operations Division  
Army Ballistic Missile Agency

1960

ANDREW BARR  
Chief Accountant  
Securities and Exchange Commission

HUGH L. DRYDEN  
Deputy Administrator  
National Aeronautics and Space  
Administration

WILLIAM J. HOPKINS  
Executive Clerk  
White House Office

DR. WINFRED OVERHOLSER  
Superintendent  
Saint Elizabeths Hospital

ROBERT M. PAGE  
Director of Research  
Naval Research Laboratory



1961

BERT B. BARNES  
Assistant Postmaster General  
Bureau of Operations  
Post Office Department

WILBUR S. HINMAN, JR.  
Technical Director  
Diamond Ordnance Fuze Laboratories  
Department of the Army

FREDERICK J. LAWTON  
Commissioner  
U.S. Civil Service Commission

RICHARD E. McARDLE  
Chief, Forest Service  
Department of Agriculture

WILLIAM R. McCAULEY  
Director  
Bureau of Employees' Compensation  
Department of Labor

1962

J. STANLEY BAUGHMAN  
President  
Federal National Mortgage Assoc.  
Housing and Home Finance Agency

ROBERT R. GILRUTH  
Director, Manned Spacecraft Center  
National Aeronautics and Space  
Administration

DR. DONALD E. GREGG  
Chief, Department of  
Cardiorespiratory Diseases  
Walter Reed Army Institute of  
Research

WALDO K. LYON  
Head, Submarine and Arctic  
Research Branch  
U.S. Navy Electronics Laboratory

LLEWELLYN E. THOMPSON, JR.  
Career Ambassador  
Department of State

DR. FRANCES O. KELSEY  
Medical Officer  
Food and Drug Administration  
Department of Health, Education  
and Welfare

1963

WINTHROP G. BROWN  
Career Minister  
Department of State

ALAIN C. ENTHOVEN  
Deputy Comptroller for  
Systems Analysis  
Office of the Secretary of Defense

SHERMAN E. JOHNSON  
Deputy Administrator  
Foreign Economics  
Economic Research Service  
Department of Agriculture

DAVID D. THOMAS  
Director, Air Traffic Service  
Federal Aviation Agency

FRED L. WHIPPLE  
Director  
Smithsonian Institution Astrophysical  
Observatory

1964

JOHN DOAR  
First Assistant to the Assistant  
Attorney General  
Civil Rights Division  
Department of Justice

HERBERT FRIEDMAN  
Superintendent, Atmosphere and  
Astrophysics Division  
U.S. Naval Research Laboratory  
Department of the Navy

LYMAN B. KIRKPATRICK, JR.  
Executive Director-Comptroller  
Central Intelligence Agency

BROMLEY K. SMITH  
Executive Secretary  
National Security Council

1965

HOWARD C. GRIEVES  
Assistant Director of the Bureau  
of the Census  
Department of Commerce

WILLIAM F. McCANDLESS  
Assistant Director for Budget Review  
Bureau of the Budget

HOMER E. NEWELL  
Associate Administrator for Space  
Science and Applications  
National Aeronautics and Space  
Administration

FRANK B. ROWLETT  
Special Assistant to the Director  
National Security Agency  
Department of Defense

CLYDE A. TOLSON  
Associate Director of the Federal  
Bureau of Investigation  
Department of Justice

PHILIP H. TREZISE  
Deputy Assistant Secretary for  
Economic Affairs  
Department of State

1966

DR. ELSON B. HELWIG  
Chief, Department of Pathology  
Armed Forces Institute of Pathology  
Department of the Army

ROBERT E. HOLLINGSWORTH  
General Manager  
Atomic Energy Commission

H. REX LEE  
Governor of American Samoa  
Department of the Interior

THOMAS C. MANN  
Under Secretary of State for  
Economic Affairs  
Department of State

DR. JAMES A. SHANNON  
Director, National Institutes  
of Health  
Department of Health, Education  
and Welfare



1967

MYRL E. ALEXANDER  
Director, Federal Bureau of Prisons  
Department of Justice

ARTHUR E. HESS  
Deputy Commissioner  
Social Security Administration  
Department of Health, Education,  
and Welfare

SHERMAN KENT  
Director of National Estimates and  
Chairman of the Board of National  
Estimates  
Central Intelligence Agency

C. PAYNE LUCAS  
Deputy Director, Africa Region  
Peace Corps

WILLIAM J. PORTER  
Ambassador to the Republic of  
South Korea  
Department of State

CARL F. ROMNEY  
Seismologist  
Department of the Air Force

1968

JAMES J. ROWLEY  
Director  
U.S. Secret Service

1970

SAMUEL M. COHN  
Assistant Director for Budget Review  
Office of Management and Budget

U. ALEXIS JOHNSON  
Career Ambassador  
Under Secretary for Political Affairs  
Department of State

EDWARD F. KNIPLING  
Director, Entomology Research Division  
Agricultural Research Service  
Department of Agriculture

FRED LEONARD  
Scientific Director  
Army Medical Biomechanical  
Research Laboratory  
Walter Reed Army Medical Center  
Department of the Army

GEORGE H. WILLIS  
Deputy to the Assistant Secretary  
for International Affairs  
Department of the Treasury

1976

DR. ERNEST AMBLER  
Acting Director, National Bureau  
of Standards  
Department of Commerce

LAWRENCE S. EAGLEBURGER  
Deputy Under Secretary of State  
for Management and Executive Assistant  
to the Secretary  
Department of State

DR. ALFRED J. EGGERS, JR.  
Assistant Director for Research

E. HENRY KNOCHE  
Deputy Director of Central Intelligence  
Central Intelligence Agency

DALE R. MCOMBER  
Assistant Director for Budget Review  
Office of Management and Budget

BARBARA RINGER  
Register of Copyrights  
Library of Congress



*Presentation of*  
**The President's Award**  
*for Distinguished*  
*Federal Civilian Service*

1976



## TENTATIVE TIMETABLE

June 1977 -- appointment of board members and announcement of the program

July 1977 -- briefing materials furnished to Board Chairman and members (by letter)

August 1977 -- call for nominations by letter to agency heads from Board Chairman with deadline of October 15

October 1977 -- preliminary review of nominations by representatives of the board members and Director, Office of Incentive Systems

November 1977 -- meeting of board to make final decisions and recommendations to the President

January 1978 -- award ceremony at White House with President Carter to make presentations

DISTINGUISHED CIVILIAN SERVICE AWARDS BOARDS

1967

Chairman: John W. Gardner, Secretary of Health, Education,  
and Welfare

Members: W. Willard Wirtz, Secretary of Labor  
Nicholas deB. Katzenbach, Under Secretary of State  
Cyrus R. Vance, Deputy Secretary of Defense  
Donald F. Horning, Director, Office of Science  
and Technology

1971

Chairman: John A. Volpe, Secretary of Transportation

Members: Robert H. Finch, Counsellor to the President  
David Packard, Deputy Secretary of Defense  
Elliot L. Richardson, Secretary of Health, Education,  
and Welfare  
Rocco Siciliano, Under Secretary of Commerce

1976

Chairman: Carla A. Hills, Secretary of Housing and Urban  
Development

Members: Douglas P. Bennett, Director, Presidential Personnel  
Office  
Robert E. Hampton, Chairman, Civil Service Commission  
Paul H. O'Neill, Deputy Director, Office of Management  
and Budget  
Elliot L. Richardson, Secretary of Commerce



several staffers recommend either abolishing or examining the possibility of restructuring.

Suggest that CSC, OMB, Domestic Council (?) get together and do a study of this.

head of  
Domestic  
Council  

---

call Campbell

THE WHITE HOUSE

WASHINGTON

Date: June 8, 1977

MEMORANDUM

FOR ACTION:

Midge Costanza *concur* Jim King  
 Stu Eizenstat Greg Schneiders  
 Bob Lipshutz *attached*  
 Jack Watson *not 1 with person*  
 Hugh Carter *concur* *be con*  
 Richard Harden *concur*

FOR INFORMATION: The Vice President  
 Hamilton Jordan *no - se*

*attached - couldn't eliminate the bid  
 + have to do it through Campbell; also  
 because Ernie Reynolds*

*HJ - let many people look at it*

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Alan K. Campbell memo dated 6/7/77 re  
 The President's Award for Distinguished Federal  
 Civilian Service.

*Tim Smith*

YOUR RESPONSE MUST BE DELIVERED  
 TO THE STAFF SECRETARY BY:

TIME: NOON

DAY: FRIDAY

DATE: JUNE 10, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)



THE WHITE HOUSE  
WASHINGTON

ACTION	FYI
<input checked="" type="checkbox"/>	MONDALE
<input checked="" type="checkbox"/>	COSTANZA
<input checked="" type="checkbox"/>	EIZENSTAT
<input checked="" type="checkbox"/>	JORDAN
<input checked="" type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	MOORE
<input type="checkbox"/>	POWELL
<input checked="" type="checkbox"/>	WATSON

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

<input checked="" type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input checked="" type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
<input checked="" type="checkbox"/>	HARDEN
<input type="checkbox"/>	HOYT
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input checked="" type="checkbox"/>	KING

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LANCE
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	B. RAINWATER
<input type="checkbox"/>	SCHLESINGER
<input checked="" type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	SCHULTZE
<input type="checkbox"/>	SIEGEL
<input type="checkbox"/>	SMITH
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	WELLS
<input type="checkbox"/>	VOORDE

Aug —

Campbell's board  
(Califano, Kreps, etc.)

has problems:

① assignment will be  
a pain to Cabinet members  
and delegated to staff;

② doesn't gain anything  
politically (presumably  
they're for us already).

Suggest board



members be from  
other groups, e.g.

AFE (Assoc of Fed'l  
Employees)\* Board  
could <sup>also</sup> include symbolic  
appointments like

Fitzgerald.

Jim S.

\* we lost Fairfax County,  
Va. by 20,000 votes (= to  
entire margin for whole state)

Date: June 8, 1977

## MEMORANDUM

## FOR ACTION:

Midge Costanza     Jim King  
 Stu Eizenstat     Greg Schneiders  
 Bob Lipshutz  
 Jack Watson  
 Hugh Carter  
 Richard Harden

FOR INFORMATION: The Vice President  
 Hamilton Jordan

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Alan K. Campbell memo dated 6/7/77 re  
 The President's Award for Distinguished Federal  
 Civilian Service.

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TIME: NOON

DAY: FRIDAY

DATE: JUNE 10, 1977

## ACTION REQUESTED:

☒ Your comments

Other:

## STAFF RESPONSE:

☐ I concur.☐ No comment.

Please note other comments below:

① I think we should consider eliminating the board and having CSC staff make recommendations through Campbell. ② I believe Anne Fitzgerald should be the first recipient. His case represents one of the greatest injustices ever perpetrated by the fed. Gov't. on one of its own.

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*Jean Vance*

Date: June 8, 1977

## MEMORANDUM

## FOR ACTION:

Midge Costanza ✓ Jim King  
Stu Eizenstat Greg Schneiders  
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Jack Watson  
Hugh Carter  
Richard Harden

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Hamilton Jordan

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DAY: FRIDAY

DATE: JUNE 10, 1977

## ACTION REQUESTED:

☒ Your comments

Other:

## STAFF RESPONSE:

☐ I concur.☐ No comment.

Please note other comments below:

*I support***PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.**

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Date: June 8, 1977

## MEMORANDUM

## FOR ACTION:

Midge Costanza     Jim King  
Stu Eizenstat     Greg Schneiders  
Bob Lipshutz  
Jack Watson  
Hugh Carter ✓  
Richard Harden

FOR INFORMATION:     The Vice President  
                                 Hamilton Jordan

FROM: Rick Hutcheson, Staff Secretary

SUBJECT:     Alan K. Campbell memo dated 6/7/77 re  
                 The President's Award for Distinguished Federal  
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TIME: NOON

DAY: FRIDAY

DATE: JUNE 10, 1977

## ACTION REQUESTED:

☒ Your comments

Other:

## STAFF RESPONSE:

☒ I concur.☐ No comment.

*Please note other comments below:*

*Hugh Carter*

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Date: June 8, 1977

## MEMORANDUM

## FOR ACTION:

Midge Costanza      Jim King  
 Stu Eizenstat      Greg Schneiders  
 Bob Lipshutz  
 Jack Watson  
 Hugh Carter  
 Richard Harden

FOR INFORMATION: The Vice President  
 Hamilton Jordan

FROM: Rick Hutcheson, Staff Secretary

Alain K. Campbell memo dated 6/7/77 re  
 SUBJECT: The President's Award for Distinguished Federal  
 Civilian Service.

YOUR RESPONSE MUST BE DELIVERED  
 TO THE STAFF SECRETARY BY:

TIME: NOON

DAY: FRIDAY

DATE: JUNE 10, 1977

## ACTION REQUESTED:

☒ Your comments

Other:

## STAFF RESPONSE:

☒ I concur.☐ No comment.

Please note other comments below:

..... but recommend that one  
 person from the White House  
 staff be included on the  
 panel.

*RFJ*

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 material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE  
WASHINGTON

Landon:

(I also  
think  
President  
would  
react  
negatively  
to this  
but I  
could be  
wrong)

At a time when we are trying to "streamline" the government and get rid of commissions and boards, I really don't think this is justified. It is certainly a nice thing to do, but there are lots of awards for government people--especially Defense--and there are the Rockefeller Public Service Awards, and some others. While this is a good board, none of these people realistically can give it time and attention, so it ends up with staff. Staff then tends to make a lot out of it, and it requires more paper work (forms for making recommendations, etc.) and basically is a staff recommendation unless the committee itself is terribly interested in it. Most of the time they are not, and don't know the people who are recommended. I suspect Campbell could do a ~~good~~ job with it, but I really think the Commission has a lot more important things to concentrate on now than this. I think I would suggest we wait for 6 months or more until after the reorganization and look at it again. At one time this committee also made recommendations for Medal of Freedom (it may still have that right) and it can be a problem to have Medal of Freedom recommendations made by a Cmte to President. E. 6/ 9



Date: June 8, 1977

MEMORANDUM

FOR ACTION:

Midge Costanza     Jim King  
Stu Eizenstat     Greg Schneiders  
Bob Lipshutz  
Jack Watson  
Hugh Carter  
Richard Harden

FOR INFORMATION: The Vice President  
Hamilton Jordan ✓

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Alan K. Campbell memo dated 6/7/77 re  
The President's Award for Distinguished Federal  
Civilian Service.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: NOON

DAY: FRIDAY

DATE: JUNE 10, 1977

*ELEANOR  
Ann Campbell  
on this*  
*[Signature]*

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

*Rick -  
I ASKED ELEANOR TO COMMENT  
ON THIS — ANN I THINK HER  
CONCLUSION IS RIGHT IN THE MONEY —  
LAWSON*

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Date: June 8, 1977

## MEMORANDUM

## FOR ACTION:

Midge Costanza Jim King  
Stu Eizenstat Greg Schneiders  
Bob Lipshutz  
Jack Watson  
Hugh Carter  
Richard Harden ✓

FOR INFORMATION: The Vice President  
Hamilton Jordan

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Alan K. Campbell memo dated 6/7/77 re  
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TO THE STAFF SECRETARY BY:

TIME: NOON

DAY: FRIDAY

DATE: JUNE 10, 1977

## ACTION REQUESTED:

☒ Your comments

Other:

## STAFF RESPONSE:

☒ I concur.

☐ No comment.

Please note other comments below:

*R.M. Harden*  
6/9

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Date: June 8, 1977

## MEMORANDUM

## FOR ACTION:

Midge Costanza / Jim King  
Stu Eizenstat / Greg Schneiders  
Bob Lipshutz  
Jack Watson  
Hugh Carter  
Richard Harden

FOR INFORMATION: The Vice President  
Hamilton Jordan

332

*Cap  
Simmons*

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Alan K. Campbell memo dated 6/7/77 re  
The President's Award for Distinguished Federal  
Civilian Service.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: NOON

DAY: FRIDAY

DATE: JUNE 10, 1977

## ACTION REQUESTED:

☒ Your comments

Other:

## STAFF RESPONSE:

☐ I concur.☐ No comment.*Please note other comments below:***PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.**

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE PRESIDENT'S AWARD FOR DISTINGUISHED  
FEDERAL CIVILIAN SERVICE

Executive Order 10717 as amended by E. O. 10979 and E. O. 11085

By virtue of the authority vested in me by the Government Employees' Incentive Awards Act, approved September 1, 1954 (68 Stat. 1112), and as President of the United States, it is ordered as follows:

Section 1. There is hereby established an honorary award for the recognition of distinguished service by civilian officers and employees of the Federal Government. The award shall be known as the President's Award for Distinguished Federal Civilian Service, and shall consist of a gold medal, the design of which accompanies and is hereby made a part of this Order, suspended on a ribbon of appropriate material and color, and accompanying appurtenances. Each medal shall be suitably inscribed, and an appropriate citation shall accompany each award.

Section 2. (a) The President's Award for Distinguished Federal Civilian Service shall be presented by the President to civilian officers or employees of the Federal Government for the best achievements having current impact in improving Government operations or serving the public interest. These achievements shall exemplify one or more of the following:

- (1) Imagination in developing creative solutions to problems of government.
- (2) Courage in persevering against great odds and difficulties.
- (3) High ability in accomplishing extraordinary scientific or technological achievement, in providing outstanding leadership in planning, organizing, or directing a major program of unusual importance and complexity, or in performing an extraordinary act of credit to the Government and the country.
- (4) Long and distinguished career service.

(b) The importance of the achievements to the Government and to the public interest shall be so outstanding that the officer or employee is deserving of greater public recognition than that which can be accorded by the head of the department or agency in which he is employed. Generally, not more than five awards shall be made in any one year. Presentation of the award shall be made at such times as the President may determine.



Section 3. There is hereby established the Distinguished Civilian Service Awards Board (hereinafter referred to as the Board), which shall consist of five members, appointed by the President from the Federal civilian service. The Chairman of the Board shall be designated by the President from the membership of the Board.

Section 4. The members of the Board shall serve at the pleasure of the President.

Section 5. The members of the Board shall serve as such without additional compensation. The Chairman of the Civil Service Commission, or his designated representative, shall serve as Executive Secretary of the Board, and the Civil Service Commission is requested to furnish the Board the necessary staff and other services.

Section 6. The Board shall advise and assist the President in the selection of persons to whom the award shall be tendered. In performing its functions, the Board shall carefully review recommendations submitted to it and decide which of them, if any, warrant presentation to the President, and shall transmit to the President, for his consideration, the names of those persons deemed by it to merit the award, together with its reasons therefor. Recipients for the award shall be selected by the President.

Section 7. The Board is authorized to prescribe the method and form for making nominations for this award, but the Board shall not recommend a nominee for the award without the concurrence of the head of the agency in which the nominee was employed at the time of the achievement for which the award is recommended.

Section 8. The Board shall be guided in the performance of its functions by the provisions of subsections (b) and (c) of section 304 of the Government Employees' Incentive Awards Act, and by any additional criteria established by the Board. Persons appointed by the President shall not be eligible for this award unless, in the opinion of the Board, they are currently serving in a career position.

Section 9. This Order shall become effective on July 1, 1957.

DWIGHT D. EISENHOWER

THE WHITE HOUSE

June 27, 1957

Amendments:

E. O. 10979 of December 12, 1961--JOHN F. KENNEDY

E. O. 11085 of February 22, 1963--JOHN F. KENNEDY

RECIPIENTS OF PRESIDENT'S AWARD

1958

LOY W. HENDERSON  
Deputy Under Secretary of  
State for Administration

STERLING B. HENDRICKS  
Chief Chemist  
Agriculture's Pioneering Research  
Laboratory for Mineral Nutrition  
of Plants

JOHN EDGAR HOOVER  
Director  
Federal Bureau of Investigation

ROGER W. JONES  
Assistant Director for  
Legislative Reference  
Bureau of the Budget

WILLIAM B. McLEAN  
Technical Director  
U.S. Naval Ordnance Test Station

1959

JAMES V. BENNETT  
Director  
Bureau of Prisons

ROBERT D. MURPHY  
Deputy Under Secretary of State  
for Political Affairs

DOYLE L. NORTHRUP  
Technical Director  
Special Weapons Squadron

HAZEL K. STIEBELING  
Director  
Institute of Home Economics  
Agricultural Research Service

WERNHER VON BRAUN  
Director  
Development Operations Division  
Army Ballistic Missile Agency

1960

ANDREW BARR  
Chief Accountant  
Securities and Exchange Commission

HUGH L. DRYDEN  
Deputy Administrator  
National Aeronautics and Space  
Administration

WILLIAM J. HOPKINS  
Executive Clerk  
White House Office

DR. WINFRED OVERHOLSER  
Superintendent  
Saint Elizabeths Hospital

ROBERT M. PAGE  
Director of Research  
Naval Research Laboratory



1961

BERT B. BARNES  
Assistant Postmaster General  
Bureau of Operations  
Post Office Department

WILBUR S. HINMAN, JR.  
Technical Director  
Diamond Ordnance Fuze Laboratories  
Department of the Army

FREDERICK J. LAWTON  
Commissioner  
U.S. Civil Service Commission

RICHARD E. McARDLE  
Chief, Forest Service  
Department of Agriculture

WILLIAM R. McCAULEY  
Director  
Bureau of Employees' Compensation  
Department of Labor

1962

J. STANLEY BAUGHMAN  
President  
Federal National Mortgage Assoc.  
Housing and Home Finance Agency

ROBERT R. GILRUTH  
Director, Manned Spacecraft Center  
National Aeronautics and Space  
Administration

DR. DONALD E. GREGG  
Chief, Department of  
Cardiorespiratory Diseases  
Walter Reed Army Institute of  
Research

WALDO K. LYON  
Head, Submarine and Arctic  
Research Branch  
U.S. Navy Electronics Laboratory

LLEWELLYN E. THOMPSON, JR.  
Career Ambassador  
Department of State

DR. FRANCES O. KELSEY  
Medical Officer  
Food and Drug Administration  
Department of Health, Education  
and Welfare

1963

WINTHROP G. BROWN  
Career Minister  
Department of State

ALAIN C. ENTHOVEN  
Deputy Comptroller for  
Systems Analysis  
Office of the Secretary of Defense

SHERMAN E. JOHNSON  
Deputy Administrator  
Foreign Economics  
Economic Research Service  
Department of Agriculture

DAVID D. THOMAS  
Director, Air Traffic Service  
Federal Aviation Agency

FRED L. WHIPPLE  
Director  
Smithsonian Institution Astrophysical  
Observatory

1964

JOHN DOAR  
First Assistant to the Assistant  
Attorney General  
Civil Rights Division  
Department of Justice

HERBERT FRIEDMAN  
Superintendent, Atmosphere and  
Astrophysics Division  
U.S. Naval Research Laboratory  
Department of the Navy

LYMAN B. KIRKPATRICK, JR.  
Executive Director-Comptroller  
Central Intelligence Agency

BROMLEY K. SMITH  
Executive Secretary  
National Security Council

1965

HOWARD C. GRIEVES  
Assistant Director of the Bureau  
of the Census  
Department of Commerce

WILLIAM F. McCANDLESS  
Assistant Director for Budget Review  
Bureau of the Budget

HOMER E. NEWELL  
Associate Administrator for Space  
Science and Applications  
National Aeronautics and Space  
Administration

FRANK B. ROWLETT  
Special Assistant to the Director  
National Security Agency  
Department of Defense

CLYDE A. TOLSON  
Associate Director of the Federal  
Bureau of Investigation  
Department of Justice

PHILIP H. TREZISE  
Deputy Assistant Secretary for  
Economic Affairs  
Department of State

1966

DR. ELSON B. HELWIG  
Chief, Department of Pathology  
Armed Forces Institute of Pathology  
Department of the Army

ROBERT E. HOLLINGSWORTH  
General Manager  
Atomic Energy Commission

H. REX LEE  
Governor of American Samoa  
Department of the Interior

THOMAS C. MANN  
Under Secretary of State for  
Economic Affairs  
Department of State

DR. JAMES A. SHANNON  
Director, National Institutes  
of Health  
Department of Health, Education  
and Welfare



1967

MYRL E. ALEXANDER  
Director, Federal Bureau of Prisons  
Department of Justice

ARTHUR E. HESS  
Deputy Commissioner  
Social Security Administration  
Department of Health, Education,  
and Welfare

SHERMAN KENT  
Director of National Estimates and  
Chairman of the Board of National  
Estimates  
Central Intelligence Agency

C. PAYNE LUCAS  
Deputy Director, Africa Region  
Peace Corps

WILLIAM J. PORTER  
Ambassador to the Republic of  
South Korea  
Department of State

CARL F. ROMNEY  
Seismologist  
Department of the Air Force

1968

JAMES J. ROWLEY  
Director  
U.S. Secret Service

1970

SAMUEL M. COHN  
Assistant Director for Budget Review  
Office of Management and Budget

U. ALEXIS JOHNSON  
Career Ambassador  
Under Secretary for Political Affairs  
Department of State

EDWARD F. KNIPLING  
Director, Entomology Research Division  
Agricultural Research Service  
Department of Agriculture

FRED LEONARD  
Scientific Director  
Army Medical Biomechanical  
Research Laboratory  
Walter Reed Army Medical Center  
Department of the Army

GEORGE H. WILLIS  
Deputy to the Assistant Secretary  
for International Affairs  
Department of the Treasury

1976

DR. ERNEST AMBLER  
Acting Director, National Bureau  
of Standards  
Department of Commerce

LAWRENCE S. EAGLEBURGER  
Deputy Under Secretary of State  
for Management and Executive Assistant  
to the Secretary  
Department of State

DR. ALFRED J. EGGERS, JR.  
Assistant Director for Research  
Applications  
National Science Foundation

E. HENRY KNOCHÉ  
Deputy Director of Central Intelligence  
Central Intelligence Agency

DALE R. McOMBER  
Assistant Director for Budget Review  
Office of Management and Budget

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*Presentation of*  
**The President's Award**  
*for Distinguished*  
*Federal Civilian Service*  
1976

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## TENTATIVE TIMETABLE

June 1977 -- appointment of board members and announcement of the program

July 1977 -- briefing materials furnished to Board Chairman and members (by letter)

August 1977 -- call for nominations by letter to agency heads from Board Chairman with deadline of October 15

October 1977 -- preliminary review of nominations by representatives of the board members and Director, Office of Incentive Systems

November 1977 -- meeting of board to make final decisions and recommendations to the President

January 1978 -- award ceremony at White House with President Carter to make presentations



## DISTINGUISHED CIVILIAN SERVICE AWARDS BOARDS

1967 Chairman: John W. Gardner, Secretary of Health, Education,  
and Welfare

Members: W. Willard Wirtz, Secretary of Labor  
Nicholas deB. Katzenbach, Under Secretary of State  
Cyrus R. Vance, Deputy Secretary of Defense  
Donald F. Horning, Director, Office of Science  
and Technology

1971 Chairman: John A. Volpe, Secretary of Transportation

Members: Robert H. Finch, Counsellor to the President  
David Packard, Deputy Secretary of Defense  
Elliot L. Richardson, Secretary of Health, Education,  
and Welfare  
Rocco Siciliano, Under Secretary of Commerce

1976 Chairman: Carla A. Hills, Secretary of Housing and Urban Development

Members: Douglas P. Bennett, Director, Presidential Personnel  
Office  
Robert E. Hampton, Chairman, Civil Service Commission  
Paul H. O'Neill, Deputy Director, Office of Management  
and Budget  
Elliot L. Richardson, Secretary of Commerce